

PINNACLE COMPASSION CENTER, INC.  
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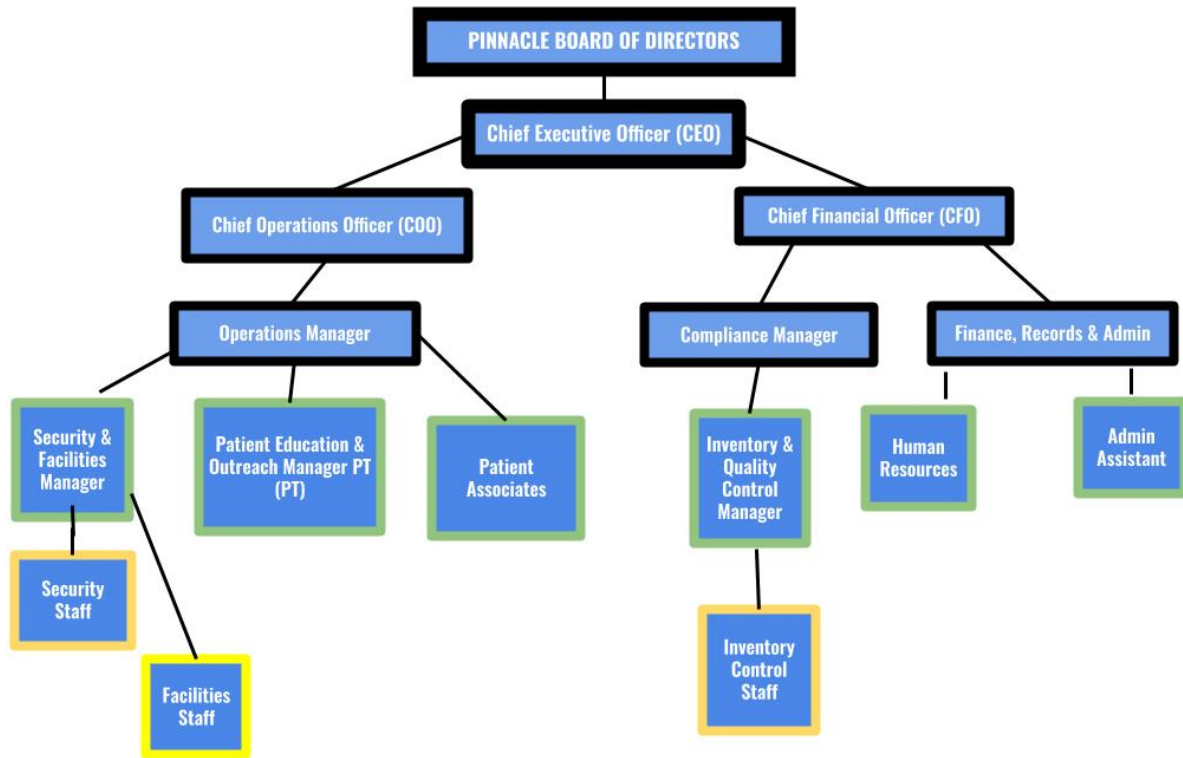


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## Appendix A – CC Form 2 Organizational Chart



## Appendix B – CC Form 2 Schedule of Effective Ownership Interests

### **DIRECTORS**

Douglas Guilbert  
Michael Biszko Jr.  
Courtney Guilbert  
Clay Resnick

### **MEMBERS AND OWNERSHIP %**

<b>MEMBER</b>	<b>EFFECTIVE OWNERSHIP %</b>	<b>INITIAL INVESTMENT BY MEMBER</b>
Douglas Guilbert		
Michael Biszko Jr.		
Courtney Guilbert		
Clay Resnick		

### **INITIAL LOANS TO BUSINESS**

<b>Loaning Member</b>	<b>Loan Amount</b>	<b>Loan Date</b>
Michael Biszko Jr.		

**2021**

No previous compensation

<b>MEMBER</b>	<b>Compensation</b>	<b>Benefits</b>
Douglas Guilbert		
Michael Biszko Jr.		

## **ANNEX A - CC FORM 4: NONPROFIT DOCUMENTS**

### *Overview of Non-Profit Structure and Members:*

Pinnacle Compassion Center Inc, combines established Rhode Island cultivation experience with expansive business knowledge and expertise in order to offer high quality medical marijuana to registered RI medical marijuana patients. The Corporation shall at all times operate on a non-profit basis for the benefit of registered qualifying patients and shall ensure that revenue of the Corporation is used solely in furtherance of its non-profit purpose. As permitted by law, the Corporation may engage in any and all activities in furtherance of, related to, or incidental to these purposes, the activities being lawful for a non-profit corporation formed under Rhode Island General Law 7-6.

The initial board of directors includes the following: Michael Biszko Jr. as President, Douglas Guilbert as Vice President, Clay Resnick as Treasurer, and Courtney Guilbert as Secretary. Each member brings a unique and crucial component to the Pinnacle Compassion Center team.

Michael Biszko is the President of the Board, CEO, and Chief Compliance Officer. Mr. Biszko has many decades of experience in the construction industry through his family business, Biszko Contracting Corporation, based in Fall River, MA. Biszko Contracting has been in business for almost forty years, and has undertaken many large scale redevelopment and commercial construction projects. Through Michael's construction experience, Michael has developed high level skills in project management, managing complex budgets, managing staff and contractors, zoning compliance, and statutory and regulatory compliance.

Douglas Guilbert is Vice President of the Board and the Chief Operations Officer. Doug has extensive experience and knowledge in the business of cultivation as well as business. Doug started his professional career in the insurance industry in 2000 as a claims adjuster for Wausau Insurance Company. In 2001, he was an insurance claims adjuster, handling hundreds of fatal World Trade Center claims. In 2004, he started in the field of property and casualty insurance production and currently owns his own Rhode Island based insurance agency, Kingston Insurance Agency LLC. In June of 2014, Mr. Guilbert became a registered medical marijuana patient in Rhode Island, and in 2015 he became a registered caregiver. While functioning as a caregiver, Mr. Guilbert provided medical marijuana for patients with severe nausea due to chemotherapy for cancer treatment, patients with multiple sclerosis, and other debilitating conditions. While no longer a patient or caregiver, Mr. Guilbert's experience as a patient means he understands well the importance of the Rhode Island Medical Marijuana program and Compassion Centers to be patient-centered. In addition to his professional responsibilities, Mr. Guilbert has extensive experience serving on non-profit boards and volunteering with community organizations. Doug has served on the board of directors of Prevent Child Abuse RI, has been Chairman of the North Smithfield Pumpkin Festival, Past President of the Smithfield Lions Club, and a member of Kappa Sigma Fraternity.

Clay Resnick is Treasurer of the Board, currently the Bank Secrecy Officer and Head of Compliance for Athena Pay, Inc., a CA-based money services business focused on providing financial services to legal cannabis industry participants. His career has been focused on risk and

compliance in both the public and private sectors. He started on this trajectory at the Central Intelligence Agency (CIA), where he served as an expert in transnational issues such as narcotics money laundering, tax havens, and the financing of terrorism. His tenure at CIA included a one-year detail to the FBI's Terror Finance Operations Center in response to a direct Presidential order to improve cooperation and communications between the two organizations. Clay will bring his focus on financial compliance to the Board of Pinnacle. Clay's experience working within heavily regulated industries will also be a large asset to Pinnacle, in both the financial regulations but also in navigating the heavily regulated medical marijuana industry in Rhode Island. Clay will also be able to bring his experience with financial tracking and oversight to the role of Treasurer of the Board.

Courtney Guilbert is Secretary of the Board and brings over 20 years of direct patient care experience in a medical setting. As a licensed Registered Nurse, Courtney's entire professional career has been dedicated to the care and well being of patients in a hospital and clinic setting. For the past 16 years Ms. Guilbert has been employed at Rhode Island Hospital where she has implemented patient care, maintained charts and confidential records, interacted with physicians, medical professionals, patients, and family members with the mission of providing exceptional patient care. Courtney brings this patient-centered care to her role on the Board, focusing on Pinnacle providing excellent service to Rhode Island medical marijuana patients.

Pinnacle Compassion Center also aims to create various advisory groups that will assist in offering guidance to the Board on an assortment of areas important and relevant to the corporation. An advisory board on patient advocacy will facilitate engaging patients and forming strong communication strategies between the corporation and patient community. Another group will oversee environmental sustainability in order to identify and recommend affordable options that prioritize renewable energy and energy efficiency. An advisory group on economic development will be formed to focus on matters such as goal setting, marketing, business expansion and recruitment. The Board aims to form these advisory groups with a diverse set of experts who will bring not only unique perspectives, but expansive knowledge to the Corporation as well.

Please reference Article II and Article III of the attached Bylaws for Board role descriptions.

*A Note on Pinnacle Board Members:* Pinnacle was initially formed using the business addresses for Michael Biszko Jr. and Douglas Guilbert. The Articles have been amended to reflect the correct home addresses for Michael Biszko Jr., to remove Michael Biszko III, reflect the correct home address for Douglas Guilbert, and add Courtney Guilbert and Clay Resnick as Board Members. All Board Members/Officers of Pinnacle meet the residency requirement for a Compassion Center license – Michael Biszko Jr. (Tiverton, RI), Douglas Guilbert (West Kingston, RI), Courtney Guilbert (West Kingston, RI) and Clay Resnick (Bristol, RI).

*Michael Biszko*



Vice President- Biszko Contracting Corp. (1979-Present)  
Superintendent Fall River Water Department (1972-1979)  
Engineer Stone & Webster Engineering Co. (1970-1972)

Experience:

Extensive experience in development and construction; including shopping centers, industrial and commercial buildings, elderly apartments, residential subdivisions and all facets of heavy construction.

Professional Affiliations:

Registered Professional Engineer – States of MA, RI, NH and ME.  
Association – American Association of Civil Engineers, American Water Works and New England Water Works.

Partial Developer Profile:

- 10 million dollar elderly housing and condominiums, Westport MA
- 7 million dollar elderly housing and condominiums, Somerset, Ma
- 7.5 million dollar 120 unit affordable tax credit elderly Oakwood Senior Estates, Swansea, MA
- 30,000 Sf Commercial Building, Fall River, MA
- 24,000 Sf Commercial Building, Fall River, MA
- 24,000 Sf Commercial Building, Airport Industrial Park, Fall River, MA
- 4.5 million dollar 106 Family Single Family Homes, Copper Flagg
- 2.5 million dollar Office Space 10,000 Sf West Main
- 2.5 million dollar Elderly Housing, Commercial, Hunter Associates
- 4.0 million dollar Industrial Buildings – 6 buildings – 124,000 Sf
- 3.5 million dollar Strip Mall Flint Village Place – 45,000 Sf
- 2.2 million dollar Commercial Building, Lynn, MA

Education:

Southeastern Massachusetts University, Class of 1970 - Bachelor of Science Civil Engineering with emphasis on Structural Design/Analysis and Hydraulics. Graduate Work, Science and Business, Northeastern University and Bryant College.



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## **PROFESSIONAL SUMMARY**

- Successful medical marijuana grower, understanding the laws, relationships with growers the industry, relationships with Rhode Island Department of Business Regulation- Marijuana Division, and relationships with professionals within the industry.
- Business ownership experience
- Insurance/Financial Industry knowledge and experience

## **QUALIFICATIONS**

Commercial Marijuana – Operations Executive  
Workflow process and knowledge  
Solid communication  
Interpersonal skills  
Medical Marijuana Growing Experience

Running a successful Cannabis Facility  
Business development  
Network of MM Professionals  
Analytical  
Excellent time management

## **ACCREDITATION /EDUCATION**

RI, MA, CT, NY, ME, PA Property and Casualty License  
Rhode Island Life and Health License / Variable License  
Accredited Advisor in Insurance Designation

## **EMPLOYMENT**

<b>Eden of Rhode Island, LLC</b>	<b>Management Executive</b>	<b>2016 - 2020</b>
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- Responsible for executive leadership functions of a start-up Cannabis Facility
- Responsible for development of policies and procedures, strategic planning, operations, finance and marketing.
- Effective in working in an ambiguous environment, as this industry changes quickly and be comfortable scaling a company as it grows.
- Responsible and effective in developing and cultivating strong relationships with all stakeholders including but not limited to owners, regulatory agencies, vendors, and customers.

<b>Insurance Sales &amp; Management</b>	<b>Producer</b>	<b>2000 - Current</b>
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- Started career as a claims manager for Workers' Compensation
- Commercial insurance producer for 20 years and executive management experience
- Developed exclusive sales program and referral relationship for medical marijuana insurance
- Consulting services to businesses as it relates to P&C insurance
- Accomplished educator and writer for various subjects in the insurance industry
- Extremely experienced in coverage matters as it relates to all business including but not limited to manufacturing, cultivation.
- Experienced in Financial Services

## **AFFILIATIONS**

Past Board of Directors of Prevent Child Abuse Rhode Island  
Past Chairman of the North Smithfield Great Pumpkin Festival  
Past President of Smithfield Lions Club  
Knights of Columbus (Formerly on the board of directors)  
Kappa Sigma Fraternity

Clay Resnick  
clayresnick@gmail.com  
202.374.8391

**PROFILE:** Seasoned risk professional with track record of success in global financial sector and intelligence arena. Specialization in Bank Secrecy Act/Anti-Money Laundering (BSA/AML), US Sanctions programs (OFAC), and counter-terror finance (CTF). Particular expertise in Latin America issues; fully trilingual (English/Portuguese/Spanish). CAMS certified.

## PROFESSIONAL EXPERIENCE

Athena Pay, Inc. – 2/2020-present. Head of Compliance & BSA Officer

- Member of core team creating a groundbreaking fintech start-up focused on providing financial services to high-risk, cash-intensive businesses while ensuring best-in-class compliance with BSA/AML, OFAC and anti-fraud regulations.
- Building a leading-edge transaction monitoring system tailored to the cannabis industry.
- Design policies and procedures that will ensure regulatory compliance.
- Serve as subject matter expert in AML/CTF, global cannabis industry and illicit finance.
- Lead interactions with state and federal regulators as well as with NACHA, manager of the Automated Clearing House funds transfer network.

Independent AML Consultant – 12/2017-1/2020 and 4/2011-1/2013

- Advised clients on the design and optimization of AML/OFAC compliance programs. Resolved security concerns through due diligence research; asset tracing; provision of expert testimony on issues related to CTF, BSA/AML, and offshore finance. Clients included consulting firms in US, Latin America and India, as well as US and Mexican banks.

Metalor Technologies USA – 7/2017-11/2017. AML Compliance Officer

- Managed AML/OFAC screening program for one of the world's premier precious metals groups. Heavy emphasis on monitoring transaction activity throughout the supply chain.
- Conducted due diligence investigations on customers and partners throughout the Western Hemisphere, including mining operations, intermediate collectors, refiners, and traders.
- Served as central point of contact for internal and external audits and examinations.

Citizens Bank – 12/14-1/17. Vice President & Senior Manager, AML Governance & Strategy

- Risk Management: Minimized risk by identifying and controlling upstream risk issues. Performed Risk Assessments at both the business line- and enterprise-level. Built an assurance framework to evidence a comprehensive control and testing environment.
- Strategic Improvement: Identified opportunities for change in AML operations by continually assessing processes, technology and staffing.
- Subject Matter Expertise: Conducted a wide range of ad hoc projects in cooperation with technology partners and business lines involving such disparate functions as automated data screening, maintenance of policies and procedures, analyst guidance, and quality control.

EY (Ernst & Young LLP) – 2/13-11/14. Manager, Financial Services Risk Management

- Managed multidisciplinary teams of 5-30 professionals in the execution of documentary and transactional lookbacks designed to address current and emerging regulatory expectations.

Conducted testing in order to determine efficacy of AML/OFAC screening and regulatory filings programs (SAR/CTR).

- Conducted large-scale risk assessments for a variety of capital markets participants. Surveyed risk landscape and made actionable recommendations on policies, operations and technology.
- Served as subject matter expert on BSA/AML, CTF and fraud in order to advise financial institutions on strategic initiatives related to financial crime. Engaged in practice development through cultivation of trusted senior-level relationships in industry and government.

#### Fidelity Investments – 8/05-3/11. US Sanctions Advisor, Anti-Money Laundering Office

- Designed, implemented and maintained a BSA/AML screening system: a multi-year project involving the construction of a mainframe-based application capable of identifying a broad range of suspicious or prohibited financial activity across the range of Fidelity businesses.
- Managed a team of analysts charged with ensuring compliance with OFAC Sanctions, as well as with programs administered by the Financial Crimes Enforcement Network (FinCEN).
- Served as Fidelity-wide subject matter expert on money laundering and terror financing, working closely with Fidelity business units on identifying weaknesses, investigating suspicious activity, and communicating with appropriate government agencies.

#### Central Intelligence Agency – 5/99-7/05

- Staff Operations Officer, Directorate of Operations – 7/03-7/05. Conceived, planned and executed multi-country intelligence operations as chief headquarters operations manager for key Latin American stations.
- Intelligence Liaison, Federal Bureau of Investigation, Counterterrorism Division, Terror Financing Operations Center – 7/02-7/03. Member of pioneer team formed at direct Presidential request to develop interagency analytic capability. Worked side by side with Special Agents on law enforcement operations involving the financing of terrorist activity. Facilitated and improved communication and cooperation between FBI and CIA operational units through analytic exchanges, tactical briefings and ad hoc liaison work.
- Analyst, Counterterrorism Center/Office of Transnational Affairs – 5/99-7/02. Researched and prepared President's Daily Briefing. Worked closely with foreign intelligence and law enforcement services on design of counterterrorism and counternarcotics programs, with emphasis on illicit finance. Wrote and briefed papers to senior US policymakers.

#### EDUCATION

Johns Hopkins University School of Advanced International Studies (SAIS), Washington DC – MA International Relations, with concentration in American Foreign Policy

University of Pennsylvania, Philadelphia, PA – BA History

#### CERTIFICATIONS

Certified Anti-Money Laundering Specialist (CAMS)

## Courtney E. Guilbert, BSN, RN

West Kingston, RI 02892

Phone: (401) 433-9442

Email: courtney\_guilbert@hotmail.com

### QUALIFICATIONS

- Proven record of reliability and responsibility.
- Remain calm and professional throughout critical incidents.
- Strong analytical skills, capable of assessing conditions and implementing appropriate intervention.
- Resourceful problem solver capable of implementing solutions to complex problems.
- Possess special sensitivity to meeting diverse needs in varied situations.
- Develop rapport with patients, family, staff and physicians.
- Relate well to people from a variety of cultures.

### EMPLOYMENT

- 2004-Current    Registered Nurse, Rhode Island Hospital
- Implement patient care for up to 5-9 patients
  - Assess patient status and notify physicians of clinical changes.
  - Assist with the admittance and discharge of patients.
  - Interact with departments regarding patient care.
  - Educate patients/families on health care needs, conditions, options etc.
  - Provide assistance to Nursing Manager in the supervision of staff nurses.
  - Maintain patient charts and confidential files.
- 2002-2004      Registered Nurse, Roger Williams Hospital
- Assigned to provide patient care for 4-5 patients
  - Assisted with the admittance and discharge of patients.
  - Performed clinical tasks according to hospital policies.
  - Assisted in the orientation of new staff members.
  - Assessed patient conditions and advised of changes in status.
  - Monitored and maintained patient charts.
  - Assisted patients and family members in the education of health care needs.
- 2002-2004      Registered Nurse/Patient Care Technician, Artificial Kidney Center
- Work in a dialysis unit, 21 patient unit, assignment of 3-4 patients, providing dialysis therapy, including initiation of treatment, monitoring patients' vital signs and progress on dialysis.
  - Responsible for accessing patients' fistulas, grafts, and catheters, performing catheter site dressings, drawing lab work, and giving medications.

### CLINICAL COURSE EXPERIENCE

Intensive Care Unit (Senior Internship, 120 hours)

Crouse Hospital, Syracuse, NY

- Provided direct patient care under the supervision of a preceptor, BSN prepared.
- The senior internship allowed me to begin the development of critical thinking, problem solving, and organization skills

Adult Medical Surgical Unit

Antepartal, Labor and Delivery, Newborn Nursery, and Postpartum

Psychiatric Unit

Pediatric Medical Surgical Unit

Long Term and Rehabilitation

### EDUCATION

Syracuse University, Syracuse, NY

1996-2000

Bachelor of Science of Nursing

### CERTIFICATION

Basic Life Support Skills of the American Heart Association



**State of Rhode Island  
Office of the Secretary of State**

Fee: \$35.00

Division Of Business Services  
148 W. River Street  
Providence RI 02904-2615  
(401) 222-3040

**Non-Profit Corporation  
Articles of Incorporation**

(Chapter 7-6-34 of the General Laws of Rhode Island, 1956, as amended)

**ARTICLE I**

The name of the corporation is Pinnacle Compassion Center Inc.

**ARTICLE II**

The period of its duration is ☒ Perpetual ☐

**ARTICLE III**

The specific purpose or purposes for which the corporation is organized are:

APPLICATION FOR A RHODE ISLAND COMPASSION CENTER LICENSE, IN  
COMPLIANCE  
WITH RIGL CHAPTER 21-28.6, AS WELL AS FOR ANY OTHER RELATED ACTIVITY  
PERMITTED BY THE ACT AND RHODE ISLAND STATE LAW.

**ARTICLE IV**

Provisions, if any, not inconsistent with the law, which the incorporators elect to set forth in these articles of incorporation for the regulation of the internal affairs of the corporation are:

**ARTICLE V**

The street address (post office boxes are not acceptable) of the initial registered office of the corporation is:

No. and Street: SHEEHAN & ASSOCIATES  
65 BAY SPRING AVENUE

City or Town: BARRINGTON

State: RI

Zip: 02806

The name of its initial registered agent at such address is MEGAN E. SHEEHAN, ESQ.

**ARTICLE VI**

The number of directors constituting the initial Board of Directors of the Corporation is 3  
and the names and addresses of the persons who are to serve as the initial directors are:

Title	Individual Name	Address
	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code, Country
DIRECTOR	DOUGLAS GUILBERT	

DIRECTOR	MICHAEL BISZKO JR.		
DIRECTOR	MICHAEL BISZKO III		

#### ARTICLE VII

The name and address of the incorporator is:

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
INCORPORATOR	DOUGLAS GUILBERT	

#### ARTICLE VIII

Date when corporate existence is to begin

(not prior to, nor more than 30 days after, the filing of these Articles of Incorporation)

**Signed this 30 Day of October, 2020 at 5:00:46 PM by the incorporator(s).** *This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the corporation, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-6.*

**Enter signature(s) below.**

DOUGLAS GUILBERT

Form No. 200  
Revised 09/07

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State of Rhode Island

**Department of State | Office of the Secretary of State**

**Nellie M. Gorbea**, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,  
hereby certify that this document, duly executed in accordance with the provisions  
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

October 30, 2020 04:58 PM

A handwritten signature in blue ink, reading "Nellie M. Gorbea". The signature is fluid and cursive.

Nellie M. Gorbea

*Secretary of State*





**State of Rhode Island  
Office of the Secretary of State**

Fee: \$10.00

Division Of Business Services  
148 W. River Street  
Providence RI 02904-2615  
(401) 222-3040

**Non-Profit Corporation  
Articles of Amendment**

(Section 7-6-40 of the General Laws of Rhode Island, 1956, as amended)

**ARTICLE I**

The name of the corporation is Pinnacle Compassion Center Inc.

If the entity's name is changing, state the new name: RI

**ARTICLE II**

If the corporate duration is changing, so state: X Perpetual     

If the corporate purpose is changing, so state:

APPLICATION FOR A RHODE ISLAND COMPASSION CENTER LICENSE, IN  
COMPLIANCE  
WITH RIGL CHAPTER 21-28.6, AS WELL AS FOR ANY OTHER RELATED ACTIVITY  
PERMITTED BY THE ACT AND RHODE ISLAND STATE LAW.

If there is a change in the number of directors, modify this section:

The number of directors constituting the Board of Directors of the Corporation is 3

and the names and addresses of the persons who are to serve as the directors are:

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
INCORPORATOR	DOUGLAS GUILBERT	
DIRECTOR	COURTNEY E. GUILBERT	
DIRECTOR	MICHAEL BISZKO JR	
DIRECTOR	DOUGLAS GUILBERT	

If there are any other provisions to be amended, so state:

**ARTICLE III**

The Amendment was adopted in the following manner:

**(check one box only)**



☒ The amendment was adopted at a meeting of members held on 12/7/2020 , at which meeting a quorum was present, and the amendment received at least a majority of the votes which members present or represented by proxy at such meeting were entitled to cast.

☐ The amendment was adopted by a consent in writing on , signed by all members entitled to vote with respect thereto.

☐ The amendment was adopted at a meeting of the Board of Directors held on , and received the vote of a majority of the directors in office, there being no members entitled to vote with respect thereto.

#### ARTICLE IV

Date when amendment is to become effective 12/7/2020  
(not prior to, nor more than 30 days after, the filing of these Articles of Amendment)

**Signed this 7 Day of December, 2020 at 10:56:32 AM.** *This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the corporation, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-6.*

Pinnacle Compassion Center Inc.  
Corporate Name

By MICHAEL BISZKO JR.

☒ President or ☐ Vice President (check one)

**AND**

By COURTNEY E. GUILBERT

☒ Secretary or ☐ Assistant Secretary (check one)

Form No. 201  
Revised 09/07

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State of Rhode Island

**Department of State | Office of the Secretary of State**

**Nellie M. Gorbea**, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,  
hereby certify that this document, duly executed in accordance with the provisions  
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

December 07, 2020 10:54 AM

A handwritten signature in blue ink, appearing to read "Nellie M. Gorbea". The signature is fluid and cursive.

Nellie M. Gorbea  
*Secretary of State*





**State of Rhode Island  
Office of the Secretary of State**

Fee: \$10.00

Division Of Business Services  
148 W. River Street  
Providence RI 02904-2615  
(401) 222-3040

**Non-Profit Corporation  
Articles of Amendment**

(Section 7-6-40 of the General Laws of Rhode Island, 1956, as amended)

**ARTICLE I**

The name of the corporation is RI

If the entity's name is changing, state the new name: Pinnacle Compassion Center Inc.

**ARTICLE II**

If the corporate duration is changing, so state: X Perpetual     

If the corporate purpose is changing, so state:

APPLICATION FOR A RHODE ISLAND COMPASSION CENTER LICENSE, IN  
COMPLIANCE  
WITH RIGL CHAPTER 21-28.6, AS WELL AS FOR ANY OTHER RELATED ACTIVITY  
PERMITTED BY THE ACT AND RHODE ISLAND STATE LAW.

If there is a change in the number of directors, modify this section:

The number of directors constituting the Board of Directors of the Corporation is 4

and the names and addresses of the persons who are to serve as the directors are:

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
INCORPORATOR	DOUGLAS GUILBERT	
DIRECTOR	COURTNEY E. GUILBERT	
DIRECTOR	MICHAEL BISZKO JR	
DIRECTOR	CLAY RESNICK	
DIRECTOR	DOUGLAS GUILBERT	

If there are any other provisions to be amended, so state:

**ARTICLE III**

The Amendment was adopted in the following manner:

(check one box only)

☒ The amendment was adopted at a meeting of members held on 12/10/2020 , at which meeting a quorum was present, and the amendment received at least a majority of the votes which members present or represented by proxy at such meeting were entitled to cast.

☐ The amendment was adopted by a consent in writing on , signed by all members entitled to vote with respect thereto.

☐ The amendment was adopted at a meeting of the Board of Directors held on , and received the vote of a majority of the directors in office, there being no members entitled to vote with respect thereto.

#### ARTICLE IV

Date when amendment is to become effective 12/11/2020  
(not prior to, nor more than 30 days after, the filing of these Articles of Amendment)

**Signed this 11 Day of December, 2020 at 1:58:52 PM.** *This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the corporation, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-6.*

RI

Corporate Name

By MICHAEL BISZKO JR

☒ President or ☐ Vice President (check one)

**AND**

By COURTNEY GUILBERT

☒ Secretary or ☐ Assistant Secretary (check one)

Form No. 201  
Revised 09/07

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State of Rhode Island

**Department of State | Office of the Secretary of State**

**Nellie M. Gorbea**, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,  
hereby certify that this document, duly executed in accordance with the provisions  
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

December 11, 2020 01:57 PM

A handwritten signature in blue ink, reading "Nellie M. Gorbea". The signature is fluid and cursive.

Nellie M. Gorbea  
*Secretary of State*







DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

Date of this notice: 12-08-2020

000752.293871.20208.17967 1 MB 0.439 530

ation Number:

Number of this notice: CP 575 E

For assistance you may call us at  
1-800-829-4933

PINNACLE COMPASSION CENTER INC

IF YOU WRITE, ATTACH THE  
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 85-4125849. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

When you submitted your application for an EIN, you checked the box indicating you are a non-profit organization. Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, Tax-Exempt Status for Your Organization, has details on the application process, as well as information on returns you may need to file. To apply for recognition of tax-exempt status under Internal Revenue Code Section 501(c)(3), organizations must complete a Form 1023-series application for recognition. All other entities should file Form 1024 if they want to request recognition under Section 501(a).

Nearly all organizations claiming tax-exempt status must file a Form 990-series annual information return (Form 990, 990-EZ, or 990-PF) or notice (Form 990-N) beginning with the year they legally form, even if they have not yet applied for or received recognition of tax-exempt status.

Unless a filing exception applies to you (search [www.irs.gov](http://www.irs.gov) for Annual Exempt Organization Return: Who Must File), you will lose your tax-exempt status if you fail to file a required return or notice for three consecutive years. We start calculating this three-year period from the tax year we assigned the EIN to you. If that first tax year isn't a full twelve months, you're still responsible for submitting a return for that year. If you didn't legally form in the same tax year in which you obtained your EIN, contact us at the phone number or address listed at the top of this letter.



For the most current information on your filing requirements and other important information, visit [www.irs.gov/charities](http://www.irs.gov/charities).

**IMPORTANT REMINDERS:**

- \* Keep a copy of this notice in your permanent records. This notice is issued only one time and IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
  - \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
  - \* Refer to this EIN on your tax-related correspondence and documents.
  - \* Provide future officers of your organization with a copy of this notice.
- Your name control associated with this EIN is PINN. You will need to provide this information, along with your EIN, if you file your returns electronically.

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter. Thank you for your cooperation.



State of Rhode Island  
Department of State | Office of the Secretary of State  
Nellie M. Gorbea, Secretary of State

## CERTIFICATE OF GOOD STANDING

I, Nellie M. Gorbea, Secretary of State and custodian of the seal and corporate records of the State of Rhode Island, hereby certify that:

### **Pinnacle Compassion Center Inc.**

is a Rhode Island Corporation organized on **October 30, 2020**. I further certify that revocation proceedings are not pending; articles of dissolution have not been filed; all annual reports are of record and the corporation is active and in good standing with this office.

This certificate is not to be considered as a notice of the corporation's financial condition or business practices; such information is not available from this office.

SIGNED and SEALED on

November 30, 2020

Secretary of State



Certificate Number: 20110123010

Verify this Certificate at: <http://business.sos.ri.gov/CorpWeb/Certificates/Verify.aspx>

Processed by: dantonelli



## **BYLAWS OF PINNACLE COMPASSION CENTER, INC.**

### **A RHODE ISLAND NON-PROFIT CORPORATION**

#### **ARTICLE I: General**

Section 1.1. Name and Purposes. The name of the Corporation is Pinnacle Compassion Center, Inc. The purpose of Pinnacle Compassion Center, Inc. is to provide high quality medical marijuana to registered Rhode Island medical marijuana patients, including any activities in the furtherance of, related to, or incidental to this purpose. The Corporation shall at all times operate on a non-profit basis for the benefit of registered qualifying patients and shall ensure that revenue of the Corporation is used solely in furtherance of its non-profit purpose. As permitted by law, the Corporation may engage in any and all activities in furtherance of, related to, or incidental to these purposes, the activities being lawful for a non-profit corporation formed under Rhode Island General Law 7-6.

Section 1.2. Articles of Incorporation. These Bylaws (these "*Bylaws*"), the powers of the Corporation and its Board of Directors, and all matters concerning the conduct and regulation of the business of the Corporation shall be subject to the provisions in regard thereto that may be set forth in the Articles of Incorporation. In the event of any conflict or inconsistency between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control.

Section 4. Fiscal Year. The fiscal year of the Corporation shall commence on January 1, and end on December 31 of each year, unless otherwise determined by the Board of Directors.

Section 1.3. Location of Offices of Corporation. The principal office of the Corporation shall be 65 Bay Spring Avenue, Barrington, RI 02806. The Board of Directors may approve a change of the location of the principal office in the State of Rhode Island effective upon the filing of a certificate indicating the new location with the Office of the Secretary of State of the State of Rhode Island. The Corporation may establish and maintain offices in such other locations, within and outside of the State of Rhode Island, as the Board of Directors may determine.

#### **ARTICLE II: Members**

Section 2.1. Identity of Initial Members. The initial members of the Corporation shall be Michael Biszko, Douglas Guilbert and Courtney Guilbert (hereinafter referred to herein as the "*Original Members*"). In the event an Original Member dies or becomes incapacitated and, at that time, the legal representative of the estate of the Original Member shall be vested with exclusive authority to appoint a substitute Member, subject to such terms and conditions, including terms and conditions with respect to voting rights, as such legal representative may determine to be appropriate at the time of such appointment.

Section 2.2. Additional and Substitute Members. The Original Members may increase the number of members of the Corporation and may appoint additional members and substitute members on such terms and conditions, including terms and conditions related to voting rights, as the Original Members may from time to time determine ("*Additional Members*"). Rights conferred upon an Additional Member by the Original Members, including voting rights, need not be uniform for all Additional Members. As used in these Bylaws, the term "*Member(s)*" shall refer only to the Original Members (including their substitute Member described in Section 1 of this Article), unless and until the Original Members act to designate one or more Additional Members as specified in these Bylaws, at which time the term "*Member(s)*" shall refer to the Original Members and the Additional Members collectively.

Section 2.3. Tenure. Unless a different term is designated at the time an Additional Member is admitted by the Original Members, for so long as a Member continues to comply with the qualifications, rules and regulations applicable to Membership as shall be established from time to time by the Members, each such Member shall continue to be a Member in good standing until such Member dies, resigns, withdraws, becomes incapacitated or disqualified.

Section 2.4. Resignation. Any Member may resign by delivering a written resignation to the President or Secretary of the Corporation, to the Board of Directors, or to the principal office of the Corporation. Such resignation shall be effective upon receipt (unless specified to be effective at another time), and acceptance thereof shall not be necessary to make it effective; *provided, however,* that the non-resigning Members may act to accept such resignation immediately or at any other time sooner than the time specified by such resigning Member in his, her, or its resignation.

Section 2.5. Annual Meeting. The annual meeting of the Members shall be held on such day and at such hour as may be named in the notice of such meeting designated by the Members. In the event that the annual meeting is not held on such date, a special meeting in lieu thereof may be held with all of the force and effect of an annual meeting.

Section 2.6. Special Meetings. Special meetings of the Members may be called by the Members, the President or by a majority of the Directors, and shall be noticed by the Clerk, or in the case of the death, absence, incapacity or refusal of the Clerk, by any other officer.

Section 2.7. Notice. A written notice of the date, place, and hour of all meetings stating the purposes of the meeting shall be given by the Secretary (or by any other officer) at least seven calendar (7) days before the meeting to the Members. The Members may waive notice either before or after a meeting.

Section 2.8. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting and without notice if the Members consent to the action in writing and the written consent is filed with the records of the meetings of the Members. Such consent shall be treated for all purposes as a vote at a meeting.

Section 2.9. Action at Meetings; Proxy Voting Not Permitted. Except as otherwise provided by law, the Articles of Incorporation or these Bylaws, at all meetings of the Members, a unanimous vote of the Members then in office shall constitute a transaction of business, and the unanimous vote of the Members shall be the act of the Members. A Member may adjourn any meeting to another time, date and place. Each Member shall be entitled to one (1) vote on any matter that comes before the Members. There shall be no voting by proxy.

Section 2.10. Presence through Communications Equipment. Unless otherwise provided by law or the Articles of Incorporation, Members may participate in a meeting by means of a conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at the meeting. Members may also make votes by electronic means over email, with a 24 hour open window for voting. If all Members have electronically voted on a matter before the Members, the vote does not need to remain open through the end of the 24 hour period, and upon all Members having cast their votes the vote can be adopted or rejected.

Section 2.11. Powers of the Members. In addition to and without limiting the powers, rights and privileges the Members shall have that are afforded to "members" of a Corporation organized under RIGL 7-6, the Articles of Incorporation, these Bylaws and other applicable law, the actions and powers of the Corporation listed below shall be reserved exclusively to the Members:

- (a) Amend or amend and restate the Articles of Incorporation;
- (b) Adopt, amend or repeal these Bylaws;
- (c) Appointment, removal or suspension of any Director of the Corporation;
- (d) Change in the number of members of the Board of Directors of the Corporation;
- (e) Approval of any sale or other disposition of all, or substantially all, of the assets or operations of the Corporation;
- (f) Approval of any merger or consolidation of the Corporation;
- (g) Approval of any plan of dissolution of the Corporation, or other action related to dissolution or liquidation of the Corporation; and
- (h) Appointment, suspension or removal of a Member of the Corporation;
- (i) Approval of any management contract agreement for operations;
- (j) Approval of any contract, debt or expense over \$50,000.00 (fifty thousand dollars); and
- (k) Authorize the Corporation to enter into any agreement to do any of the foregoing.

Section 2.12. Vote Requirement. For all votes other than the amendment of these Bylaws, all decisions of the Members shall be made by majority vote. Each Member shall be entitled to one vote.

Section 2.13. Deadlock of Members. For any action requiring a vote of the Members under these Bylaws, in the event of a tie vote, the matter shall be resolved by a vote of the Board of Directors. In such case, a majority vote of the disinterested Directors shall function as a vote of the Members under these Bylaws.

Section 2.14 Removal of Member for Licensing. Should any Member's interest in this Corporation prevent, prohibit or impair in any way the Corporation from holding a valid license for the activities of the Corporation, or if the Corporation is expected to reasonably have to expend more than ten thousand dollars (\$10,000) in order to defend a license or license application because of a Member's role in the Corporation, then the other Members of the Corporation may unanimously decide to expel said Member from the Corporation.

### **ARTICLE III: Directors**

Section 3.1. Enumeration; Qualifications. The Corporation shall have a Board of Directors that shall serve as the governing body of the Corporation and shall have all the powers and duties of a board of directors under Rhode Island law, subject to limitations as outlined in these bylaws. The Board of Directors shall consist of such a number of Directors as shall be determined initially by the incorporator, and thereafter by the Members (but not less than the minimum number required by law). Directors shall possess such qualifications as may be determined by the Members.

Section 3.2. Election of Directors; Term of Office. Directors shall be elected by the Members at an annual meeting of the Members or at any special meeting held in lieu thereof by the affirmative vote of the Members or by unanimous written consent of the Members. Subject to other provisions of these Bylaws, unless the Members specify a different term at the time of election or appointment, each Director shall, subject to these Bylaws, serve until the next annual meeting of the Members, or special meeting held in lieu thereof, and until his or her successor is duly elected and qualified, or until he or she sooner dies, becomes incapacitated, resigns, is removed or becomes disqualified.

Section 3.3. Vacancies. Any vacancy at any time existing in the Board of Directors (including any newly created seats on the Board) may be filled by the Members at any meeting of the Members or by unanimous written consent of the Members. Unless the Members specify a different term at the time of election or appointment, each successor Director shall hold office for the remainder of his or her predecessor's unexpired term and until his or her successor is duly elected and qualified, or in each case until he or she sooner dies, resigns, is removed or becomes disqualified.

Section 3.4. Resignation. Any Director may resign by delivering his or her written resignation to the Corporation at its principal office, to any meeting of the Board of Directors, or to the President or Secretary of the Corporation. Such resignation shall be effective upon receipt (unless it is specified to be effective at some other time or upon the happening of some other event) and acceptance thereof shall not be necessary to make it effective unless it so states; *provided, however*, that the Board of Directors may act to accept such resignation immediately or at any other time sooner than the time specified by such resigning Director in his or her resignation.

Section 3.5. Removal. A Director may be removed from office, with or without cause, by an affirmative vote of the majority of the Members. A Director may be removed for cause only after reasonable notice and opportunity to be heard prior to action thereon. For the purpose of this Section "Cause" shall mean if any director: (1) fails to qualify as a dispensary agent as determined by the Rhode Island Office of Cannabis Regulation (OCR) or the Department of Business Regulation (DBR) (2) is found unsuitable or unqualified to sit as director of a registered marijuana dispensary as determined by OCR or DBR pursuant to written notice to the Non-profit; or (3) engages in any negligent, reckless, or intentional action or inaction that causes substantial financial or reputational injury to the Non-profit, or jeopardizes the Non-profit's ability to receive or renew a marijuana dispensary registration, as determined in a written opinion of the Non-profit legal counsel.

Section 3.6. Powers. The Board of Directors shall manage, control and be responsible for oversight of the affairs and property of the Corporation, and at all times may exercise on behalf of the Corporation all lawful powers, rights and privileges of the Corporation under RIGL § 7-6 and any other applicable law, except those powers reserved to the Members by law, the Articles of Incorporation or these Bylaws. The Board of Directors, in its discretion, may from time to time establish committees, appoint individuals to serve as members of any such committee, define or limit the powers and duties of any such committee, and thereafter may disband the same. The Board of Directors may delegate its powers, or a portion thereof, to committees that either consist solely of Directors or give voting power only to Directors on any such committee, except that the Board of Directors may not delegate the powers specified in RIGL § 7-6 of the Rhode Island General Laws or other actions under Rhode Island law that require action by the Board of Directors including, without limitation, the Board may not delegate the power to:

- (a) Change the location of the principal office of the Corporation;
- (b) Adopt, amend or repeal these Bylaws;
- (c) Change the number of Directors;
- (d) Appoint, elect, suspend or remove Directors or officers;
- (e) Amend or amend and restate the Articles of Incorporation;
- (f) Authorize any sale, lease, exchange or other disposition of all or substantially all of the assets of the Corporation;
- (g) Authorize any merger or consolidation of the Corporation; or
- (h) Authorize the dissolution of the Corporation.

Subject to these Bylaws and applicable law, the Board of Directors may authorize officers, attorneys or agents of the Corporation to act on its behalf subject to such limitations as the Board of Directors determines.

Section 3.7. Compensation of Directors. Directors as such shall not receive any salaries for their services on the Board of Directors, but the Directors shall not be precluded from serving the Corporation in any other capacity and receiving reasonable compensation for any such services. The Corporation may reimburse Directors for reasonable expenses incurred in the performance of their duties to the Corporation as approved by the Board of Directors. A Director, solely because of being a member of the Board of Directors, shall not be precluded from serving the Corporation in any other capacity and receiving reasonable compensation for any such other service.

## **ARTICLE IV**

### ***Meetings of the Board of Directors***

Section 4.1. Place. Meetings of the Board of Directors shall be held at such place within or outside of Rhode Island as may be determined by the Board and identified in the notice of any such meeting.

Section 4.2. Regular and Special Meetings. Regular meetings of the Board of Directors may be held at such hour as may be determined by the Board and identified in the notice of such meeting. Special meetings of the Board may be called by the Members, the President or by a majority of the Directors, and shall be noticed by the President or the Clerk, or in the case of the death, absence, incapacity or refusal of the President or the Clerk, by the Members or any other officer.

Section 4.3. Notice. Unless otherwise required by law, the Articles of Incorporation or these Bylaws, notice of each meeting of the Board of Directors shall be given, not later than two business days before the meeting is scheduled to commence, by the President or the Secretary (or the Members or other officer as set forth in Section 1 above) and each such notice shall state the place, date and time of the meeting. Notice of each meeting may be delivered to a Director by hand or given to a Director orally (either by telephone or in person) or mailed, sent by electronic mail or sent by facsimile transmission to a Director at his residence or usual place of business. If mailed, the notice shall be deemed given when deposited in the United States mail, postage prepaid; if sent by electronic mail, the notice shall be deemed given when directed to an electronic mail address at which the Director has consented to receive notice; and if sent by facsimile transmission, the notice shall be deemed given when transmitted with transmission confirmed. Notice of any meeting need not be given to any Director who shall submit, either before or after the time stated therein, a signed waiver of notice or who shall attend the meeting, other than for the express purpose of objecting at the beginning thereof to the transaction of any business because the meeting is not lawfully called or convened. Notice of an adjourned meeting, including the place, date and time of the new meeting, shall be given to all Directors not present at the time of the adjournment, and also to the other Directors unless the place, date and time of the new meeting are announced at the meeting at the time at which the adjournment is taken.

Section 4. Quorum; Action at Meetings; Proxy Voting Not Permitted. Except as otherwise provided by law, the Articles of Incorporation or these Bylaws, at all meetings of the Board of Directors, a majority of the total number of Directors then in office shall constitute a quorum and the vote of a majority of the Directors present and voting at a meeting when a quorum is present shall be the act of the Board. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time, date and place. Each Director shall be entitled to one (1) vote on any matter that comes before the Board of Directors. There shall be no voting by proxy.

Section 5. Action by Unanimous Written Consent. Any action required or permitted to be taken at any meeting of the Directors may be taken without a meeting and without notice if all the Directors consent to the action in writing and the written consents are filed with the records of the meetings of the Directors. Such consents shall be treated for all purposes as a vote at a meeting.

Section 6. Presence through Communications Equipment. Unless otherwise provided by law or the Articles of Incorporation, members of the Board of Directors or any committee thereof may participate in a meeting by means of a conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at the meeting.

## **ARTICLE V: Officers, Agents and Advisory Boards**

Section 1. Enumeration. The officers of the Corporation shall be a President, Vice President, a Treasurer, a Secretary, and such other officers, if any, as the Board of Directors may from time to time determine. The Corporation may also have such agents, if any, as the Board of Directors may appoint from time to time and each shall have such powers as may be designated from time to time by the Board of Directors.

Section 2. Term of Office. Subject to other provisions of these Bylaws, unless the Board of Directors indicate a different term at the time of election or appointment, officers of the Corporation shall serve at the pleasure of the Board of Directors, and until their respective successors are elected and qualified, or in each case until he or she sooner dies, resigns, is removed or becomes disqualified.

Section 3. Qualifications. An officer of the Corporation may but need not be a Director of the Corporation. Any two (2) or more offices may be held by the same person. The Secretary shall be a resident of the State of Rhode Island unless the Corporation has a resident agent appointed for the purpose of service of process. Any officer may be required by the Directors to give bond for the faithful performance of his or her duties to the Corporation in such amount and with such sureties as the Directors may determine. The premiums for such bonds may be paid by the Corporation. Officers shall meet such other qualifications as the Board of Directors may determine from time to time.

Section 4. Vacancies. Any vacancy at any time existing in any office of the Corporation may be filled by the Directors at any meeting of the Board of Directors and such successor shall serve at the pleasure of the Board of Directors, and until his or her successor is chosen and qualified, or in each case until he or she sooner dies, resigns, is removed or becomes disqualified.

Section 5. Resignation. Any officer or agent may resign by delivering his or her written resignation to the Corporation at its principal office, to any meeting of the Board of Directors, or to the President or Secretary of the Corporation, and such resignation shall be effective upon receipt (unless it is specified to be effective at some other time or upon the happening of some other event) and the acceptance thereof shall not be necessary to make it effective unless it so states; *provided, however,* that the Board of Directors may act to accept such resignation immediately or at any other time sooner than the time specified by such resigning officer in his or her resignation.

Section 6. Removal. The Board of Directors may remove any officer, with or without cause, by the affirmative vote of not less than a majority of the total number of Directors then in office at any regular meeting or special meeting of the Board of Directors. An officer may be removed for cause only after reasonable notice and opportunity to be heard prior to action thereon. Each agent appointed by the Board shall retain his or her authority at the pleasure of the Board of Directors and each agent so appointed may be removed, with or without cause, at any time by the Board of Directors.

Section 7. President. The President shall be the chief executive officer of the Corporation and as such shall have charge of the affairs of the Corporation subject to the supervision of the Board of Directors. Subject to limitations that the Board of Directors may approve generally or in any specific instance, all checks drawn on bank accounts of the Corporation may be signed on its behalf by the President or such other persons as may be authorized from time to time by the Board of Directors. The President shall also have such other powers and duties as customarily belong to the office of the chief executive or as may be designated from time to time by the

Board of Directors. The President shall be responsible for the administration of the Corporation in all its activities subject to such policies as may be adopted and such orders as may be issued by the Board of Directors from time to time, or by any committees of the Board to which the authority for such action has been specifically delegated.

Section 8. Vice President. The Vice President is prepared at all times to assume the role of board president, if necessary. The Vice President whose knowledge and commitment mirrors that of the president, may serve in the President's place for board activities and in the spokesperson capacity. The President may delegate special assignments to the Vice President, who also works closely with the CEO or other executives to carry out the board President's vision and directives.

Section 9. Treasurer. The Treasurer shall have such powers and duties as customarily belong to the office of Treasurer or as may be designated from time to time by the Board of Directors. The Treasurer shall have the power to endorse for deposit or collection all notes, checks, drafts and similar documents that are payable to the Corporation or its order, provided that the Treasurer shall not deposit any funds of the Corporation in any banking institution unless such institution has been designated as a depository by a vote of the majority of the members of the Board of Directors, exclusive of any Director who is an officer or Director of the depository so designated. Subject to limitations that the Board of Directors may approve generally or in any specific instance, all checks drawn on bank accounts of the Corporation may be signed on its behalf by the Treasurer or such other persons as may be authorized from time to time by the Board of Directors.

Section 10. Secretary. The Secretary shall record all proceedings of the Members and the Board of Directors in a book or books to be kept therefor and shall have custody of the seal of the Corporation. If the Secretary is absent from any meeting of the Board of Directors, a temporary Secretary shall be chosen at the meeting who shall keep a true record of the proceedings thereof.

Section 10. Additional Powers and Duties. Each officer shall, subject to these Bylaws and to any applicable provisions of law and the Articles of Incorporation, have, in addition to the duties specifically set forth in these Bylaws, such duties and powers as are customarily incident to such officer's office and such additional duties and powers as the President or the Directors may from time to time designate.

Section 11. Compensation of Agents and Employees. The Corporation may pay compensation in reasonable amounts to its agents and employees for services rendered, such amount to be fixed by the Board of Directors, or, if the Board of Directors delegate power to any officer or officers, then by such officer or officers; *provided, however*, any such officer or officers authorized by the Board of Directors to fix compensation may not be authorized to fix his or her own compensation. The Directors may require officers, agents or employees to give security for the faithful performance of their duties. Board members shall not receive compensation for their service on the Board, but may serve the Corporation in another capacity and be compensated for those services, so long as their compensation is reasonable, in line with market rate, and approved by disinterested directors.

Section 12. Advisory Boards or Committees. The Board of Directors may determine to establish one or more advisory boards or committees to further the goals of the Corporation. Advisory boards or committees may be constituted of persons who are not Directors, but have an



interest and willingness to advance the purposes of the Corporation. Any advisory board or committee may be discontinued by the Board of Directors at any time. An advisory board or committee shall be required to make at least annual reports to the Board of Directors.

## **ARTICLE VI:**

### **Inspection of Records**

Books, accounts, documents and records of the Corporation shall be open to inspection by any Director for any proper purpose during the usual hours of business. The original, or attested copies, of the Articles of Incorporation, these Bylaws and records of all meetings and actions of the Members, the Board of Directors and its committees, and records which shall contain the names of all Directors and their record addresses, shall be kept in the State of Rhode Island at the principal office of the Corporation, or at an office of the Clerk, attorney of record or the resident agent, if any, of the Corporation.

## **ARTICLE VII:**

### **Execution of instruments; Evidence of Authority**

Section 1. Checks, Notes, Drafts and Other Instruments. Unless the Board of Directors shall otherwise generally or in any specific instance authorize: (i) all checks, notes, drafts, and other instruments for the payment of money drawn or endorsed in the name of the Corporation shall be signed by the President or the Treasurer of the Corporation or such other officers and/or agents as shall be authorized to do so from time to time by the Board of Directors; and (ii) contracts, leases, transfers, conveyances, deeds, notes, bonds and all other written instruments shall be signed in the name and on behalf of the Corporation by the President or the Treasurer of the Corporation or such other officers and/or agents as shall be authorized to do so from time to time by the Board of Directors, and such person or persons so signing such instrument may also seal, acknowledge, and deliver the same. Any instrument purporting to affect an interest in real estate, executed in the name of the Corporation, shall be executed by any two (2) officers of the Corporation, at least one of whom shall be the President or the Treasurer of the Corporation and shall be binding on the Corporation in favor of a purchaser or other person relying in good faith on such an instrument, notwithstanding any inconsistent provisions of the Articles of Incorporation, Bylaws, resolutions or votes of the Corporation.

Section 2. Evidence of Authority. A certificate executed by the Clerk, an assistant Secretary or a temporary Secretary as to any action taken by the Board of Directors, or any officer or representative of the Corporation shall, as to all persons who rely thereon in good faith, be conclusive evidence of such action.

## **ARTICLE VIII:**

### **Conflict of Interest; Transactions with Interested Parties**

Section 1. Conflict of Interest Policy. All Directors, officers and other persons in a position of significant authority designated by the Board of Directors or the President of the Corporation shall adhere to such policies on conflicts of interest as may be adopted from time to time by the Directors and the Members.

Section 2. Transactions with Interested Parties. Nothing shall prevent the Corporation from entering into any contract or transaction between the Corporation and one or more of its Member(s), Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of the Corporation's Member(s), Directors or officers are directors or officers, or have a financial interest. In addition, no contract or transaction between the Corporation and one or more of its Member(s), Directors or officers, or between the Corporation and any other corporation, limited liability company, partnership, association, or other organization in which one or more of the Corporation's Member(s), Directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Members, Director or officer is present at or participates in the meeting of the Board of Directors or a committee thereof which authorizes the contract or transaction or solely because the votes of such Members, Director or officer are counted for such purpose, if:

- (a) The material facts as to his, her or its relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or
- (b) The material facts as to his, her or its relationship or interest and as to the contract or transaction are disclosed or are known to the Members (provided that the Member is disinterested), and the contract or transaction is specifically approved by a vote of the Members; or
- (c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof, or the Members.

## **ARTICLE IX:**

### **Personal Liability; Indemnification**

Section 1. Personal Liability. The Members, Directors and officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation. All persons, corporations or other entities extending credit to, contracting with, or having any claim against, the Corporation, may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

Section 2. Indemnification. The Corporation shall, to the fullest extent legally permissible, indemnify each Indemnified Person (as defined below) against all liabilities and losses, including amounts paid in satisfaction of judgments, in compromise or as fines, penalties, excise taxes, court costs, witness fees, and Costs and Expenses (as defined below) incurred by, or imposed upon, the Indemnified Person in connection with or arising out of the defense or disposition of any Proceeding (as defined below) in which the Indemnified Person is or may become involved or with which the Indemnified Person may be threatened, while in office or thereafter, as a party, witness or otherwise, by reason of his or her being or having been an Indemnified Person.

Notwithstanding the foregoing, as to any matter disposed of by a compromise payment by an Indemnified Person, pursuant to a consent decree or otherwise, no indemnification for said payment shall be provided unless such compromise and indemnification therefor shall be approved:

- (a) By a majority vote of a quorum consisting of disinterested Directors;
- (b) If such a quorum cannot be obtained, then by a majority vote of a committee of the Board of Directors consisting of all the disinterested Directors then in office;
- (c) By the Members if they are disinterested;
- (d) If there are not two or more disinterested Directors in office, then by a majority of the Directors then in office, provided they have obtained a written finding by Independent Legal Counsel (as defined below) appointed by a majority of the Directors to the effect that, based upon a reasonable investigation of the relevant facts as described in such opinion, the Indemnified Person appears to have acted in good faith and in the reasonable belief that the Indemnified Person's actions were in the best interests of the Corporation (or, to the extent that such matter relates to service with respect to a Related Entity, in the best interests of the Related Entity (and, if the Related Entity is an employee benefit plan, in the best interests of the participants or beneficiaries of such plan)); and with such care as an ordinarily prudent person in a like position with respect to a similar corporation organized as a non-profit corporation would use under similar circumstances; or
- (e) By a court of competent jurisdiction.

Costs and Expenses incurred by an Indemnified Person in connection with the defense or disposition of any Proceeding shall be paid promptly by the Corporation in advance of the final disposition thereof upon receipt of an undertaking by such Indemnified Person to repay the amounts so paid by the Corporation if it is ultimately determined that indemnification for such Costs and Expenses is not authorized by law or under this Article. Such undertaking shall be accepted without reference to the financial ability of such Indemnified Person to make repayment.

If both the Corporation and the Indemnified Person are parties to a Proceeding (other than a claim, action or suit by or in the right of the Corporation to procure a judgment in its favor), counsel representing the Corporation therein also may represent such Indemnified Person (unless such dual representation would involve such counsel in an actual or potential conflict of interest in violation of applicable principles of professional ethics), and the Corporation shall pay all Costs and Expenses of such counsel incurred during the period of dual representation.

The right of indemnification hereby provided shall not be exclusive. Nothing contained in this Article shall affect any rights to indemnification to which such Indemnified Person or other corporate personnel may be entitled by contract, by a vote of the Board of Directors or otherwise under law.

Section 3. Definitions. As used in this Article, the below terms shall have the following definitions:

(a) *"Costs and Expenses"* means all reasonable costs and expenses incurred by an Indemnified Person in investigating, defending or appealing any Proceeding, including attorneys', accountants', experts' and other professional fees and disbursements; reasonable compensation for time spent by the Indemnified Person on behalf of the Corporation during which he or she is not otherwise compensated by the Corporation or a third party; any premium, security for, and other costs relating to any costs or other appeal bond or its equivalent, whether such Proceeding is of a civil, criminal, arbitrational, administrative or investigative nature, whether formal or informal, including an action by or in the name of the Corporation. Costs and Expenses shall include all reasonable costs and expenses incurred by an Indemnified Person, including attorneys', accountants', experts' and other professional fees and disbursements, in connection with successfully establishing his or her right to indemnification, in whole or in part, hereunder.

(b) *"Indemnified Person"* means each person who:

(i) Shall be, or at any time shall have been, a Member, a Director or officer of the Corporation, or

(ii) At the request of the Corporation, shall serve, or at any time shall have served, as an incorporator, director, trustee, officer, employee, agent, member, manager or in any other capacity with respect to any Related Entity, or

(iii) The Board of Directors by vote shall designate, who shall be, or at any time shall have been, an employee or agent of the Corporation or who shall serve, or at any time shall have served, at the request of the Corporation, in any capacity with respect to any Related Entity.

(c) *"Proceeding"* means any threatened, pending or completed claim, action, suit or proceeding or any alternative dispute resolution mechanism (including an action by or in the right of the Corporation or an affiliate of the Corporation) or any formal or informal inquiry, hearing or investigation, whether conducted by the Corporation or an affiliate of the Corporation or any other party, and any other action that an Indemnified Person in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, arbitrational, administrative, investigative or other, including any appeal relating to any of the foregoing.

(d) *"Related Entity"* means any corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise in which the Corporation is in any way interested in, or as to which an Indemnified Person is serving or shall have served at the Corporation's request or on its behalf, as a director, officer, partner, employee, agent, fiduciary, member, manager or representative including, but not limited to, any employee benefit plan or any corporation of which the Corporation or any Related Entity is, directly or indirectly, a stockholder, member, limited or general partner, beneficiary or creditor.

(e) *"Independent Legal Counsel"* means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the previous five (5) years has been retained to represent: (A) the Corporation or the Indemnified Person in any other matter material to either party, or (B) any other party to the threatened, pending or completed proceeding or action giving rise to the claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Legal Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in

representing either the Corporation or the Indemnified Person in a proceeding or action to determine the Corporation's obligations or such Indemnified Person's rights hereunder.

(f) "Person," "director," "officer," "employee," "agent" and "Indemnified Person" shall include their respective heirs, executors and administrators, and an "interested" director, officer, employee or agent is one against whom in such capacity the Proceedings in question or other Proceedings on the same or similar grounds is then pending.

Section 4. Enforceability. It is the intention of the Corporation that the obligations of the Corporation, and the rights and benefits of Indemnified Persons shall vest upon the date of adoption of these Bylaws. It is the further intention of the Corporation to provide for indemnification in all cases under all circumstances where to do so would not violate applicable law (and notwithstanding any limitations permitted, but not required by statute or common law) and the terms and provisions of this Article shall be interpreted and construed consistent with that intention. Nonetheless, if any term or provision of this Article, or the application thereof to any person or circumstances, shall to any extent be held invalid or unenforceable, the remainder of this Article, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Article shall be held valid and be enforced to the fullest extent permitted by law. Any amendment, alteration or repeal of the Non-Profit Corporation Act that adversely affects any right of an Indemnified Person (or his or her respective heirs, executors and administrators), shall be prospective only and shall not limit or eliminate any such right with respect to any Proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to any such amendment, alteration or repeal.

Section 5. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any Indemnified Person against any liability asserted against or incurred by him or her in such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify or advance expenses to him or her against such liability.

## **ARTICLE X:**

### **Dispute Resolution**

Section 1. Mandatory arbitration of certain disputed matters. Any dispute between or among the parties relating to Arbitrable Matters (as defined in Article 10.2) shall be exclusively and finally resolved by arbitration by a single arbitrator (the "Arbitrator").

Section 2. Definition of Arbitrable Matter. Arbitrable Matters shall include only the following types of matters:

- a. How to construe and enforce the provisions of this Article X (including any issue concerning the scope of these provisions);
- b. Any claim by a Member in the Member's capacity as a Member against any other Member in that other Member's capacity as a Member;
- c. Any claim by a Member against a Director;
- d. Any claim by a Director against another Director or a Member;

e. Whether any action by the Corporation, the Members, or the Directors is contrary to these bylaws; and

f. Whether the expulsion of a member is fair.

Section 3. Exclusions from definition. Arbitrable Matters shall not include:

a. Routine matters of the Corporation;

b. Matters requiring urgent judicial relief; and

c. Matters involving the enforcement of orders under this Article X.

Section 4. Rules governing arbitration. Except as otherwise provided in this Article X, any arbitration (an "Arbitration") under this article shall be governed by the Rules of Commercial Arbitration of the American Arbitration Association ("AAA").

Section 5. Notice of arbitration. Any member may initiate an arbitration of any Arbitrable Matter. The initiating member shall do so by providing written notice of the Arbitration to the other members. The notice shall bear a current date, shall state the name of the initiating member and shall briefly state the matter to be arbitrated.

Section 6. Selection of arbitrator. If, within 15 business days after all the parties entitled to notice of an Arbitration have received that notice, the members have not agreed among themselves as to the identity of the Arbitrator or the site of the Arbitration, the LLC shall immediately refer these matters for resolution by the AAA office located in the city of Providence, Rhode Island. That office may resolve these matters without liability and in its sole discretion.

Section 7. No appeal, etc. No party shall appeal to any court an order of an Arbitrator under this Article X. The Corporation, any Member, or any Director may enter any such order in any court of competent jurisdiction.

Section 8. Allocations of costs, fees, etc. The Arbitrator may allocate among the members the costs, fees and other expenses relating to an Arbitration in any manner that the Arbitrator shall determine to be appropriate in his or her absolute discretion;

However, if the Arbitrator determines that a party has initiated an Arbitration without a reasonable basis for doing so, the Arbitrator shall assess against that party the costs of the other parties relating to the Arbitration, including the reasonable attorneys' fees of these parties.

Section 9. Awarding of litigation costs to prevailing party. If, in a suit in law or equity, any party seeks judicial review of any issue arising in an arbitration under this Article X, an

Arbitrator under this Article may allocate to the losing party in that suit all costs reasonably incurred by the prevailing party.

#### **ARTICLE XI:**

##### **Nondiscrimination Policy**

Persons of all races, religions, genders, sexual orientations and national origins shall be entitled to all the rights and privileges generally made available by the Corporation through the activities and programs that it conducts, and the Corporation shall not discriminate on the basis of race, religion, gender, sexual orientation, national origin or disability.

#### **ARTICLE XII:**

##### **Amendments**

These Bylaws may be altered, amended or repealed, in whole or in part, solely by a vote of at least  $\frac{3}{4}$  of the Members.

#### **ARTICLE XIII:**

##### **Policies**

The Members may adopt policies that shall be incorporated into these Bylaws. The following policies have been adopted and incorporated herein:

Appendix 1: Conflict of Interest Policy

## Appendix 1

### Pinnacle Compassion Center Inc.

## CONFLICT OF INTEREST POLICIES AND PROCEDURES

### I. PURPOSE

Pinnacle Compassion Center Inc. (the "Corporation") must be aware of and diligently address and manage all conflicts of interest and appearances of any conflicts of interest in order to protect the best interest of the Corporation when it is contemplating entering a transaction that might benefit the private interest of directors, members, officers or the executive management team. The Board of Directors shall follow the procedures set forth herein to address and evaluate conflicts of interest to determine whether it is in the best interest of the Corporation to enter into the proposed transaction and, if so, to ensure that the terms of the transaction are fair and reasonable.

### II. DEFINITIONS

An *Insider* is a member, director or officer of the Corporation or a person on the executive management team.

An *Interest* means any material financial interest, direct or indirect, including, but not limited to, a sale, loan or exchange with the Corporation whereby the Insider would derive a material financial benefit, but shall not include compensation in the form of salary, such compensation being governed by the Compensation Setting Policy.

A *Managerial Position* is a member, director, officer, executive, trustee, or other managerial role in an entity other than the Corporation or a person who has significant influence over the management or operating policies of an entity other than the Corporation.

*Transaction* means any transaction, agreement, or arrangement with the Corporation.

A *Conflict of Interest* is present when an Insider, or an immediate family member of an Insider, has an Interest in a Transaction or is in a Managerial Position with an entity involved in a Transaction.

*Disinterested Directors* are the members of the Board of Directors of the Corporation that do not have a Conflict of Interest.

### III. PROCEDURES



### 1. Duty to Disclose

Promptly upon learning of the proposed Transaction, each Insider that has a Conflict of Interest shall promptly disclose to the Board of Directors the existence of the Conflict of Interest and all material facts regarding their Interest in the Transaction, including relevant Managerial Positions. Such disclosure shall be made prior to the Board of

Directors taking any action on the Transaction or substantially discussing the Transaction. In the event that the Insider is unsure as to whether a Conflict of Interest exists, the Insider shall disclose the circumstances to the Disinterested Directors, who shall determine whether there exists a Conflict of Interest that is subject to this policy.

### 2. No Participation

An Insider who has a Conflict of Interest shall not take part in any negotiations regarding the Transaction and shall not participate in or be permitted to attend the Board's or any committee's discussion of the matter except to disclose material facts and to respond to any questions regarding the Insider's Conflict of Interest. The Insider with the Conflict of Interest shall not exert his or her personal influence or lobby the Board of Directors with respect to the matter, either at or outside the meeting, and shall not vote on the Transaction. An Insider who is a member of the Board of Directors may be counted in determining the presence of a quorum at such a meeting, however, the interested Directors may not be present during any discussion or vote on the Transaction.

### 3. Due Diligence

The Disinterested Directors shall hold a meeting to determine if the Transaction is fair, reasonable and in the best interest of the Corporation by conducting due diligence on the Transaction. Such due diligence may include any or all of the following:

- Reviewing all relevant documents relating to the Transaction;
- Discussing the purpose, benefits, advantages and disadvantages of the Transaction;
- Reviewing similar agreements and transactions to compare the relevant terms to the Transaction;
- Discussing and considering alternatives to the Transaction;
- Obtaining opinions or guidance from relevant industry third-party professionals regarding the fairness of the Transaction and the industry standards and terms for similar transactions
- Consulting with the Corporation's legal counsel to discuss the terms and legal implications of the Transaction;
- Obtaining an independent legal opinion that the Transaction is fair, in the best interest of the Corporation and in compliance with applicable laws and regulations; and
- Proposing modification to the terms of the Transaction if the Disinterested Directors concluded that the proposed terms of the Transaction are not fair, reasonable and in the best interest of the Corporation, as presented.

#### 4. Approval

After exercising its due diligence, the Disinterested Directors, shall determine whether the Transaction is fair, reasonable and in the best interest of the Corporation. The Transaction can be approved by a majority vote of the Disinterested Directors present at a meeting for which a quorum is present. The Transaction must be approved by more than one Disinterested Director.

#### 5. Record of Proceedings

The minutes of any meeting of the Board of Directors held pursuant to this policy shall contain:

- the names of all persons present at the meeting;
- details of the Transaction;
- the name of each Insider who disclosed or was otherwise determined to have a Conflict of Interest;
- the nature of the Conflict of Interest;
- the names of the Directors who participated in the discussion regarding the Transaction and the names of the Directors who were excluded from discussions of the Transaction;
- the information considered and discussed by the Board in exercising its due diligence regarding the Transaction;
- the Directors who voted on the Transaction, and the Directors who were excluded from voting;
- the result of the vote;
- if the Board rejected the Transaction, the reasons for the rejection and any proposed modifications to the Transaction;
- if the Board approved the Transaction, the reasons why the Board determined that the Transaction is fair and in the best interest of the Corporation; and
- copies of the Transaction agreements and all related documents thereto.

### IV. VIOLATIONS

If the Board of Directors has reasonable cause to believe that an Insider has failed to disclose a Conflict of Interest, it shall inform such Insider of the basis for this belief and afford the Insider an opportunity to explain the alleged failure to disclose. If, after hearing the Insider's response and making further investigation as warranted by the circumstances, the Board of Directors determines that the Insider has failed to disclose a Conflict of Interest, the Board of Directors shall take appropriate disciplinary and corrective action.

### V. REVIEW

To ensure that the Corporation operates in a manner consistent with its mission, the Board of Directors shall periodically review this policy. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved. A copy of this policy shall be distributed to each Insider for their review and compliance hereto.

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**PINNACLE COMPASSION CENTER, INC.**

**ACTION OF THE MEMBERS**

The undersigned, being 100% (one hundred percent) of the Members of Pinnacle Compassion Center, Inc., a Rhode Island Non-Profit Corporation, does hereby adopt the following resolution and direct that this consent be filed with the minutes of the Corporation:

RESOLVED: That the bylaws in the form attached to this consent be, and such bylaws hereby are, adopted as the bylaws of the non-profit corporation.

RESOLVED: That Michael Biszko Jr. will be a member of the Board of Directors, and will be adopted as President of the Board of Directors.

RESOLVED: That Douglas Guilbert will be a member of the Board of Directors, and will be adopted as Vice President of the Board of Directors.

RESOLVED: That Courtney Guilbert will be a member of the Board of Directors, and will be adopted as the Treasurer/Secretary of the Board of Directors

RESOLVED: That Michael Biszko Jr. will be adopted as the Compliance Officer.

IN WITNESS WHEREOF, the undersigned Members have duly exercised this written consent as of December 7th, 2020.

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Michael Biszko Jr., Member

  
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Douglas Guilbert, Member

  
ID jyY9CA9KA5vjacMX8vBTPDyI

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Courtney Guilbert, Member

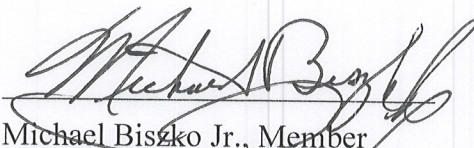
**PINNACLE COMPASSION CENTER, INC.**

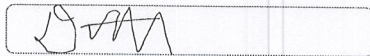
**ACTION OF THE MEMBERS**

The undersigned, being 100% (one hundred percent) of the Members of Pinnacle Compassion Center, Inc., a Rhode Island Non-Profit Corporation, does hereby adopt the following resolution and direct that this consent be filed with the minutes of the Corporation:

- RESOLVED: That the bylaws in the form attached to this consent be, and such bylaws hereby are, adopted as the bylaws of the non-profit corporation.
- RESOLVED: That Michael Biszko Jr. will be a member of the Board of Directors, and will be adopted as President of the Board of Directors.
- RESOLVED: That Douglas Guilbert will be a member of the Board of Directors, and will be adopted as Vice President of the Board of Directors.
- RESOLVED: That Courtney Guilbert will be a member of the Board of Directors, and will be adopted as the Treasurer/Secretary of the Board of Directors
- RESOLVED: That Michael Biszko Jr. will be adopted as the Compliance Officer.

IN WITNESS WHEREOF, the undersigned Members have duly exercised this written consent as of December 7th, 2020.

  
Michael Biszko Jr., Member

  
ID Y9gENyY8R7RxmhJUIBK8DBPi

Douglas Guilbert, Member

\_\_\_\_\_  
Courtney Guilbert, Member

**PINNACLE COMPASSION CENTER, INC.**

**ACTION OF THE MEMBERS**

The undersigned, being the Vice President of the Board of Pinnacle Compassion Center, Inc., a Rhode Island Non-Profit Corporation, does hereby certify that 100% of the Members of the Board had an in person meeting to adopt the following resolution, and direct that this consent be filed with the minutes of the Corporation:

RESOLVED: That Clay Resnick will be a member of the Board of Directors,  
and will be adopted as Treasurer of the Board of Directors.

IN WITNESS WHEREOF, the undersigned Member has duly exercised this written consent as of December 14th, 2020.

  
ID KUWYyZsa7EYJBpqGsStvVgnE

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Douglas Guilbert, Director

## eSignature Details

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<b>Signer ID:</b>	<b>KUWyYzsa7EYJBpqGsStvVgnE</b>
Signed by:	Doug Guilbert
Sent to email:	doug.guilbert@gmail.com
IP Address:	68.9.40.223
Signed at:	Dec 14 2020, 1:16 pm EST

#### **ANNEX B - CC FORM 4: MANAGEMENT COMPANIES**

None - Pinnacle will not be utilizing a Management Company.



#### **ANNEX C - CC FORM 4: VENDORS**

NONE: There are no anticipated vendors which will be used to supply services, supplies equipment and/or other goods to Pinnacle of \$100,000 or more per calendar year.

## **ANNEX D - CC FORM 4: CONTRACTS**

All contracts executed by Pinnacle and proposals sent to Pinnacle to date:

1. Proposal from Flying Locksmith for Security System equipment.
2. Proposal from D.R. Bernier General Contractor Inc. for construction at 1136 Lonsdale Avenue, Central Falls, RI and 85 Fairmount Street, Woonsocket, RI.

# **PROPOSAL MEMORANDUM**

**THIS MEMO MAY BE OF A TIME SENSITIVE NATURE. PLEASE DELIVER AS DIRECTED BELOW AS SOON AS POSSIBLE. THANK YOU.**

**To:** DOUG GUILBERT  
**From:** BRIAN DESCHENES  
**CC:** File  
**Date:** 12/10/2020  
**Re:** VIDEO SURVEILLANCE SYSTEM / ALARM SYSTEM – COMPASSION CENTER SITE

Thank you for your continuing interest in an opportunity to submit this proposal.

In order to provide the Video Surveillance and Alarm Systems we discussed your property, I offer:

## **VIDEO SURVEILLANCE SYSTEM**

INSTALLATION OF:

- 1 – NETWORK VIDEO RECORDER
- 2 – HIGH CAPACITY EXTERNAL HARD DRIVES
- 33 – 4-5 MP HI DEF FULL COLOR IP VIDEO CAMERAS WITH NIGHT VISION
- 1 – SYSTEM UPS with additional batteries
- 1 - COLOR PRINTER
- 1 – VIDEO MONITOR
- 1 – NETWORK TOWER

All necessary hardware, cable, conduit and labor for complete installation.

## **ALARM SYSTEM**

INSTALLATION OF:

- 1 – ALARM PANEL CONTROLLER
- 1 – SYSTEM KEYPAD
- 1 – CELLULAR COMMUNICATOR
- 3 – PERIMETER DOOR CONTACTS
- 10 – INTERIOR DOOR CONTACTS
- 12 – MOTION DETECTORS
- 11 – PANIC (HOLD-UP) BUTTONS
- 2 – GARAGE DOOR CONTACTS

All necessary hardware, cable, conduit and labor for complete installation.

## **ACCESS CONTROL SYSTEM**

INSTALLATION OF:

- 1 – ACCESS CONTROLLER
- 1 – SYSTEM SOFTWARE
- 13 – CARD READERS
- 13 – DOOR STRIKE TYPE LOCK HARDWARE
- 50- KEY FOBS

All necessary hardware, cable, conduit and labor for complete installation.

**TOTAL ESTIMATED INVESTMENT**

**\$85,000**

# D. R. Bernier General Contractor Inc.

Since 1970

1904 Pleasant St.  
Fall River, Ma. 02723

Phone 508-674-4415  
Fax 508-674-4477

December 3, 2020

Pinnacle Compassion Center  
65 Bay Spring Avenue  
Barrington, RI 02806

Re: Building Rehab  
1136 Lonsdale Ave  
Central Falls, RI

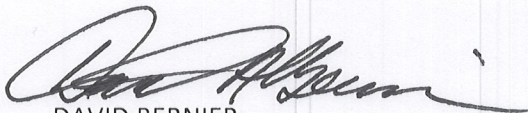
Gentlemen:

A price not to exceed Five Hundred Ninety-Five Thousand Dollars and no cents (\$595,000.00) is submitted to rehab the existing building located at 1136 Lonsdale Ave and the corner of Conduit St in Central Falls.

The price is based on discussions, meetings, plans and specifications. The scope entails site work, demolition, utilities upgrade, carpentry, mechanicals, electrical, plumbing, sprinklers, and interior finishes. All work to be code compliant, subject to final plans and specifications and mutually agreeable to both parties.

Should you have any questions, please do not hesitate to contact me.

THANK YOU



DAVID BERNIER



# D. R. Bernier General Contractor Inc.

Since 1970

1904 Pleasant St.  
Fall River, Ma. 02723

Phone 508-674-4415  
Fax 508-674-4477

December 3, 2020

Pinnacle Compassion Center  
65 Bay Spring Avenue  
Barrington, RI 02806

Re: Construction - Building  
85 Fairmont St  
Woonsocket, RI


Gentlemen,

A not to exceed price of Six Hundred Thirty-Two Thousand Dollars and no cents (\$632,000.00) is submitted as per specifications, plans and discussions concerning the construction of the proposed stated building.

This price includes as discussed, site, utilities, framing, mechanical, electrical, plumbing as well as all interior finish work. All work to be code compliant. Price and scope to be finalized upon final plans, drawings, and specifications.

Should you have any questions, please do not hesitate to contact me.

THANK YOU



DAVID BERNIER

## **ANNEX E - CC FORM 4: RELATED PARTY TRANSACTIONS**

Pinnacle will receive a loan from Board President/CEO/CCO Michael Biszko Jr. The disinterested Directors of Pinnacle voted to approve the transaction and found that it was on commercially reasonable terms. Please find attached the Note Purchase Agreement between Pinnacle and Michael Biszko Jr., and the meeting minutes approving the Note Purchase Agreement.

If the 1136 Lonsdale, Central Falls application is chosen, Pinnacle will be either leasing space from Michael Biszko, Jr., or assuming an option lease/option Purchase and Sale agreement currently held by Michael Biszko Jr. The rent charged to Pinnacle is the same which was negotiated between Michael Biszko Jr. and the current owner of the property. The current owner of the property has no connection to either Biszko, Pinnacle, or any Board Member/Officer of Pinnacle. The disinterested Directors of Pinnacle voted to approve the transaction and found that it was on commercially reasonable terms.

### **Interested Transactions:**

1. Note Purchase Agreement between Michael Biszko, Jr. and Pinnacle, approved by the disinterested members of the Pinnacle Board. Also attached are meeting minutes approving the Agreement.
2. Agreement to lease or assume the option Purchase and Sale agreement for 1136 Lonsdale, Central Falls, RI. Also attached are meeting minutes approving the Agreement.

## NOTE PURCHASE AGREEMENT

This Note Purchase Agreement (this “Agreement”) is made as of November 23, 2020 by and among Pinnacle Compassion Center, Inc., with a principal place of business of 65 Bay Spring Avenue, Barrington, RI 02806 (the “Non-Profit”) and Michael Biszko, Jr., an individual with an address of 149 North Court, Tiverton, RI 02878 (“Biszko”). Any capitalized terms used but not defined herein shall have the meanings given to them in the promissory note (the “Note”) attached hereto as Exhibit A.

1. *Loan.* Biszko agrees, on the terms and conditions specified in this Agreement, to lend to the Non-Profit up to \$2,500,000.00 (two million, five hundred thousand dollars and zero cents). The Non-Profit may make requests in writing to Biszko for the disbursement of a loan, including the specific amount requested and the requested date for closing (hereinafter “Loan”). The total amount of loans, as evidenced by Promissory Notes from Pinnacle to Biszko, shall not exceed \$2,500,000.00 without prior written approval by Biszko.

2. *Closing.*

(a) *Place and Date of Closing.* The closing of the purchase and sale of the Note (the “Closing”) shall be held on no more than thirty (30) days from the delivery of the Loan Notice.

(b) *Deliveries.* At the Closing, (i) each party hereto shall execute and deliver original copies of this Agreement, (ii) the Non-Profit shall deliver to Biszko the original fully executed Note against the delivery of the full principal amount of the Loan by Biszko by check or wire transfer.

(c) *Conditions to Close.* In addition to the conditions set forth elsewhere herein, the following conditions must be satisfied prior to the funding of any Loan:

- (A) The representations and warranties contained herein shall be true, and all covenants of the Non-Profit contained herein or in the Note shall be true, accurate and have been performed as of and through such date;
- (B) No event shall have occurred and be continuing that (1) constitutes an Event of Default, or (2) with the giving of notice or passage of time, or both, would constitute an Event of Default; and

4. *Representation and Warranties of the Non-Profit.* The Non-Profit hereby represents and warrants to Biszko as follows:

(a) *Organization and Standing.* The Non-Profit is a Non-Profit Corporation duly incorporated, validly existing and in good standing under the laws of the State of Rhode Island. The Non-Profit is duly qualified to do business in the State of Rhode Island and in all other jurisdictions where such qualification is required, except where the failure to be so qualified would not have a material adverse effect on the Non-Profit.

(b) *Corporate Power.* The Non-Profit will have at all Closings all requisite corporate power and authority and has taken all corporate action necessary to execute and deliver this Agreement, to issue the Note and to carry out and perform its obligations under the terms of this Agreement.

(c) *Authorization.* The execution, delivery and performance of this Agreement and the Note have been duly authorized by all requisite Non-Profit action. This Agreement has been, and the Note, will be, duly executed and delivered by the Non-Profit, and constitutes or at the time of delivery will constitute the legal, valid and binding obligation of the Non-Profit, enforceable against the Non-Profit, in accordance with its respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights, or to principles of equity.

(d) *Securities Law Exemptions.* Subject to the accuracy of Biszko's representations in Section 4 of this Agreement, the offer, sale and issuance of the Note constitute transactions exempt from the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the "Securities Act").

(e) *Litigation.* There is no claim, action, suit, proceeding, arbitration, complaint, charge or investigation (any of the foregoing, an "Action") pending or, to the Non-Profit's knowledge, currently threatened against the Non-Profit, nor to the Non-Profit's knowledge is there any reasonable basis therefor. There are no Actions pending or, to the Non-Profit's knowledge, threatened against any officer, director or key employee of the Non-Profit that relates to the Non-Profit (including without limitation by way of such person's prior employment, their use in connection with the Non-Profit's business of any information, technology or techniques allegedly proprietary to any of their former employers, clients or other parties, or their obligations under any agreements with prior employers, clients or other parties). The Non-Profit is not a party to or named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality, nor to its knowledge is any of its officers, directors or key employees named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality that relates to the Non-Profit. There is no action, suit, proceeding or investigation by the Non-Profit pending or which the Non-Profit intends to initiate.

(f) *Compliance with Law.* The business of the Non-Profit has been conducted in accordance with all applicable laws, regulations and other requirements of all states, municipalities and other political subdivisions and agencies thereof, having jurisdiction over the Non-Profit, except where the failure to comply with such laws, regulations or other requirements would not have a material adverse effect on the Non-Profit.

(g) *No Defaults.* The Non-Profit is not in default under any material contract, lease or commitment to which it is a party or by which it is bound, nor does the Non-Profit know of any dispute regarding any contract, lease or commitment.



(h) *Employee Matters.* There are no controversies pending or threatened between the Non-Profit and any of its respective employees, agents or independent contractors other than employee grievances arising in the ordinary course of business, and the Non-Profit is in compliance with all federal and state laws respecting employment and employment terms, conditions and practices.

(i) *Brokers or Finders.* Non-Profit has not and will not incur any liability for brokerage or finder's fees, commissions, or similar charges in connection with this Agreement.

(j) *Biszko Information.* Biszko has demonstrated to the Non-Profit's satisfaction that the criteria for approval as a lender to a medical marijuana Compassion Center under Rhode Island law.

(k) *Authorization.* This Agreement, when executed and delivered by Biszko, will constitute valid and legally binding obligations of such Biszko, enforceable in accordance with its terms, except as such enforcement may be limited by principles of public policy, and subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies. Biszko represents that it has full power and authority to enter into this Agreement.

(l) *Brokers or Finders.* Biszko has not and will not incur any liability for brokerage or finder's fees, commissions, or similar charges in connection with this Agreement.

(m) *Tax Liability.* Such Biszko has reviewed with its own tax advisors the federal, state, local and/or foreign tax consequences of this investment and the transactions contemplated by this Agreement. Such Biszko understands that such Biszko (and not the Non-Profit) shall be responsible for such Biszko's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

(n) *Further Limitations on Disposition.* Without in any way limiting the representations and warranties set forth above, such Biszko further agrees not to make any disposition of all or any portion of the Note without the prior approval of the Non-Profit (including the Non-Profit's legal counsel), the Rhode Island Department of Business Regulation, and approval by any other relevant regulatory authorities and agencies

(o) *Legends.* It is understood that the Note may bear the following legends:

“THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE NON-PROFIT THAT SUCH REGISTRATION IS NOT REQUIRED. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SECURITIES AND RESTRICTIONS ON THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS

INSTRUMENT TO THE SECRETARY OF THE NON-PROFIT AT THE PRINCIPAL EXECUTIVE OFFICES OF THE NON-PROFIT.”

6. *Events of Default.* The following events shall be considered events of default with respect to the Note (“Event(s) of Default”):

(a) The Non-Profit shall default in the payment of any part of the principal or unpaid accrued interest on any Note, following notice and failure to cure in thirty (30) business days;

(b) The Non-Profit shall make an assignment for the benefit of creditors, or shall admit in writing their inability to pay their debts as they become due, or shall file a voluntary petition for bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting the material allegations of a petition filed against the Non-Profit in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Non-Profit, or of all or any substantial part of the properties of the Non-Profit, or the Non-Profit or its respective directors or majority membership unitholders or stockholders shall take any action to dissolve or liquidate the Non-Profit;

(c) Within sixty (60) days after the commencement of any proceeding against the Non-Profit seeking any bankruptcy reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed, or within thirty (30) days after the appointment without the consent or acquiescence of the Non-Profit of any trustee, receiver or liquidator of the Non-Profit or of all or any substantial part of the properties of the Non-Profit, such appointment shall not have been vacated; and

(d) The Non-Profit shall fail to observe or perform any other obligation to be observed or performed by it under this Agreement or the Note, which failure continues for thirty (30) days after written notice from Biszko to perform or observe the obligation.

(e) The Non-Profit initiates a merger, consolidation, conversion or other similar transaction involving the Non-Profit or any Non-Profit subsidiaries in which the members of the Non-Profit immediately prior to such transaction hold in the aggregate less than a majority of the outstanding voting equity securities of the surviving entity immediately after such transaction.

(g) The sale, lease or conveyance of all or substantially all of the assets of the Non-Profit on a consolidated basis.

(h) The Non-Profit initiates dissolution.

(i) The Non-Profit commits any breach of its representations, warranties or covenants hereunder, and such breach is not cured within fifteen (15) days after written notification by Biszko.

7. *Remedies.* Upon the occurrence of an Event of Default under Section 6 hereof, at the option and upon the declaration of Biszko, the entire unpaid principal amount and accrued and unpaid interest on such Note shall, without presentment, demand, protest, or notice of any kind, all of which are hereby expressly waived, be forthwith due and payable, and such Biszko may, immediately and without expiration of any grace period, enforce payment of all amounts due and owing under such Note and exercise any and all other remedies granted to it at law, in equity or otherwise. Any unpaid balance after an Event of Default shall incur an interest rate of 8% (eight percent).

9. *Miscellaneous.* This Agreement shall be governed in all respects by the internal laws of the State of Rhode Island (without regard to conflict of law principles). Venue shall be solely in the state courts in Providence, Rhode Island, and the parties consent to exclusive jurisdiction of said Court. The representations, warranties, covenants and agreements made herein shall survive any investigation made by any Biszko. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement (including the Exhibits attached hereto) and the other documents delivered pursuant hereto at the Closing constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof, and no party shall be liable or bound to any other party in any manner by any warranties, representations, or covenants except as specifically set forth herein or therein. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought. All notices and other communications required or permitted hereunder shall be in writing and shall be delivered by hand or by a nationally recognized overnight courier, addressed to the address as listed in the preamble of this Agreement. Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given (x) in the case of personal delivery, on the date of such delivery, and (y) in the case of a nationally recognized overnight courier, on the next business day after the date when sent. Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to Biszko, upon any breach or default of the Non-Profit under this Agreement, shall impair any such right, power, or remedy of Biszko nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of Biszko of any breach or default under this Agreement, or any waiver on the part of Biszko of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to Biszko, shall be cumulative and not alternative. The Non-Profit and Biszko shall bear their own expenses incurred on their behalf with respect to this Agreement and the transactions contemplated hereby. This Agreement may be executed in any number of original and/or facsimile counterparts, each of which shall be deemed an original, but all of which together shall be deemed to constitute one (1) instrument. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision. The titles and

subtitles used in this Agreement are used for convenience only and are not considered in construing or interpreting this Agreement.

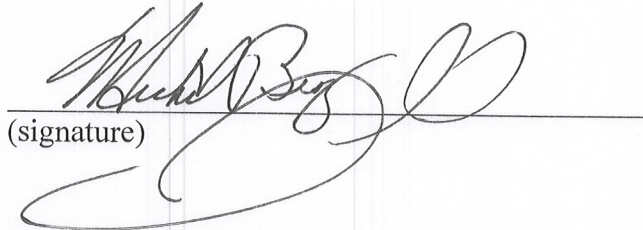
9. *Dispute Resolution.* Any dispute arising out of this Agreement, which cannot be resolved by negotiation, shall be settled by binding arbitration in accordance with the American Arbitration Association Commercial Arbitration Rules and Procedures as amended by this Agreement. The cost of arbitration, including the fees and expenses of the arbitrator, shall be shared equally by the parties unless the arbitration award provides otherwise. Each party shall bear the cost of preparing and presenting its case. Arbitration shall take place in Providence, Rhode Island. The parties agree that this provision and the arbitrator's authority to grant relief shall be subject to the United States Arbitration Act, 9 U.S.C. 1-16 et seq. ("USAA"), the provisions of this Agreement, and the ABA-AAA Code of Ethics for Arbitrators in Commercial disputes. The Arbitrator's decision shall follow the plain meaning of the relevant documents, and shall be final and binding. The award may be confirmed and enforced in any court of competent jurisdiction. All post-award proceedings shall be governed by the USAA. Nothing in this provision shall be construed so as to prohibit either party from seeking preliminary or permanent injunctive relief in any court of competent jurisdiction.

*[signature pages follow]*

**- Biszko Signature Page to Note Purchase Agreement with Pinnacle –**

IN WITNESS WHEREOF, Biszko has caused this Agreement to be duly executed and delivered (by its proper and duly authorized officer, as applicable) effective as of the date and year first written above.

Michael Biszko, Jr., individually

  
(signature)

**- Non-Profit's Signature Page to Note Purchase Agreement -**

IN WITNESS WHEREOF, Pinnacle Compassion Center, Inc. has caused this Agreement to be duly executed and delivered by its proper and duly authorized officer effective as of the date and year first written above.

Non-Profit:

Pinnacle Compassion Center, Inc.

By:    
ID DUkvtMoLqYn4rWRfbpbEcZh

Name: Douglas Guilbert

Title: Vice President and Treasurer of the Board

**EXHIBIT A**  
Form of Promissory Note

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID SECURITIES ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE Non-Profit THAT SUCH REGISTRATION IS NOT REQUIRED. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SECURITIES AND RESTRICTION ON THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS INSTRUMENT TO THE SECRETARY OF THE Non-Profit AT THE PRINCIPAL EXECUTIVE OFFICES OF THE Non-Profit.

**PROMISSORY NOTE**  
**(the "Note")**

\$(AMOUNT)

[DATE]  
Barrington, Rhode Island

Pinnacle Compassion Center, Inc. LLC, a Rhode Island Non-Profit Corporation, (the "Non-Profit"), for value received, promises to pay to Michael Biszko Jr., an individual with an address of 149 North Court, Tiverton, RI 02878 (the "Holder") or its registered assigns, the principal amount of [LOAN AMOUNT], with interest at the rate of five percent (5.0%) per annum computed from the date repayment commences. This Note is issued pursuant to a Note Purchase Agreement (the "Purchase Agreement") of even date herewith by and between the Non-Profit and the Holder. Any capitalized terms utilized but not defined herein shall have the meanings given to them in the Purchase Agreement. Unless prepaid as provided below, repayment shall commence 1 year after disbursement of the funds from Biszko to Pinnacle, and shall be repaid in full 7 years after repayment commences (the "Maturity Date"). Payment of principal and interest shall be made at the residence of the Holder at 149 North Court, Tiverton, RI 02878, unless otherwise designated by the Holder, in lawful money of the United States of America.

1. *Prepayment.* This Note may not be prepaid without the consent of the Holder.
2. *Amendment or Waiver.* The terms of the Note and the Purchase Agreement between the Holder and the Non-Profit dated the date hereof may be amended or waived by written agreement executed by the Non-Profit and the Holder.
3. *Events of Default.* Reference is hereby made to Section 6 of the Purchase Agreement, which defines the events which shall constitute Events of Default hereunder, and which is hereby incorporated herein by reference.

4. *Remedies.* Upon the occurrence of an Event of Default hereunder, at the option and upon the declaration of the Holder of this Note, the entire unpaid principal and accrued and unpaid interest on this Note shall, without presentment, demand, protest, or notice of any kind, all of which are hereby expressly waived, be forthwith due and payable, and such Holder may enforce payment of all amounts due and owing under this Note and exercise any and all other remedies granted to it at law, in equity or otherwise. Any unpaid balance from and after an Event of Default or the Maturity Date shall incur an interest rate of twelve percent (12%).
5. *Miscellaneous.* The Non-Profit waives presentment for payment, demand, protest and notice of protest for nonpayment of this Note, and consent to any extension or postponement of the time of payment or any other indulgence. In no event shall any officer or director of the Non-Profit be liable for any amounts due and payable pursuant to this Note. This Note shall be governed in all respects by the laws of the State of Rhode Island (without regard to conflict of law principles). The Non-Profit hereby agrees, subject only to any limitation imposed by applicable law, to pay all expenses, including reasonable attorneys' fees and legal expenses, incurred by the Holder of this Note in endeavoring to collect any amounts payable hereunder which are not paid when due, whether by declaration or otherwise. The Non-Profit agrees that any delay on the part of the Holder in exercising any rights hereunder will not operate as a waiver of such rights. The Holder of this Note shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid unless in writing and signed by the party or parties waiving such rights or remedies. The acceptance by Holder of any payment under this Note which is less than the payment in full of all amounts due and payable at the time of such payment shall not (i) constitute a waiver of or impair, reduce, release or extinguish any right, remedy or recourse of Holder, or nullify any prior exercise of any such right, remedy or recourse, or (ii) impair, reduce, release or extinguish the obligations of any party as originally provided herein. The rights, remedies and recourses of Holder, as provided in this Note, shall be cumulative and concurrent and may be pursued separately, successively or together as often as occasion therefore shall arise, at the sole discretion of Holder.

IN WITNESS WHEREOF, this Note has been executed and delivered under seal effective on the date first set forth above.

<<signature page to follow>>



**Non-Profit:**

Pinnacle Compassion Center, Inc.

By: \_\_\_\_\_

Name:

Title:

**PINNACLE COMPASSION CENTER, INC.**

**ACTION OF THE MEMBERS**

The undersigned, being 100% (one hundred percent) of the Disinterested Directors of Pinnacle Compassion Center, Inc., a Rhode Island Non-Profit Corporation, does hereby adopt the following resolution and direct that this consent be filed with the minutes of the Corporation:

- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, find that the Note Purchase Agreement between Michael Biszko Jr. and Pinnacle should be considered an "Interested Transaction."
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, find that all material terms regarding this Interested Transaction have been disclosed by Michael Biszko, and that the disinterested Directors have been provided an opportunity to ask questions and perform an independent inquiry.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, have reviewed the terms of the Note Purchase Agreement and terms of the Promissory Note, and find that they are commercially reasonable.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, have reviewed the terms of the Note Purchase Agreement and terms of the Promissory Note, and find that they are fair and reasonable to Pinnacle.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, unanimously vote to approve the terms of the Note Purchase Agreement between Michael Biszko Jr. and Pinnacle Compassion Center In.

IN WITNESS WHEREOF, the undersigned Members have duly exercised this written consent as of December 7th, 2020.

<<signature page to follow>>



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Douglas Guilbert, Director



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Courtney Guilbert, Director

**LEASE OPTION AGREEMENT**  
**1136 Lonsdale Avenue, Central Falls, RI**

This Lease Option Agreement (this "Agreement") is made as of December 10, 2020 by and among Pinnacle Compassion Center, Inc., with a principal place of business of 65 Bay Spring Avenue, Barrington, RI 02806 ("Pinnacle") and Michael Biszko, Jr., an individual with an address of 149 North Court, Tiverton, RI 02878 ("Biszko").

WHEREAS Michael Biszko Jr. has entered into an option Purchase and Sale agreement for 1136 Lonsdale Avenue, Central Falls, RI;

WHEREAS the Purchase and Sale agreement grants Michael Biszko Jr. the option to purchase or lease the property located at 1136 Lonsdale Avenue, Central Falls, RI;

WHEREAS should Michael Biszko Jr. exercise the option to lease, the rent for the property will be \$10,000.00 (ten thousand a month), payable to the current owner, Sandra Dee LLC;

WHEREAS neither Michael Biszko Jr. nor Pinnacle Compassion Center Inc. Board members or officers have any ownership interest in or connection to Sandra Dee LLC, and the Purchase and Sale and lease option was negotiated as an arms length transaction;

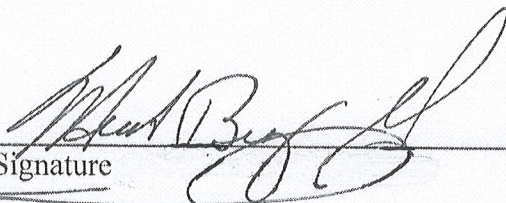
WHEREAS should Pinnacle Compassion Center Inc. receive a Compassion Center license from the State of Rhode Island, Pinnacle wishes to utilize 1136 Lonsdale for a Rhode Island licensed Compassion Center; and

WHEREAS the disinterested members of the Pinnacle Board have approved entering into this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Should Pinnacle's application for a RI licensed Compassion Center at 1136 Lonsdale be chosen by the Department of Business regulations, and Pinnacle may either choose to rent directly from Michael Biszko Jr. at a monthly rate of \$10,000.00 (ten thousand dollars and zero cents per month), assume the lease option held by Michael Biszko, Jr. to pay rent at the same rate directly to Sandra Dee LLC, or assume the option to purchase 1136 Lonsdale Avenue held by Michael Biszko, Jr.
2. Should Pinnacle's application for a RI licensed Compassion Center at 1136 Lonsdale be chosen by the Department of Business regulations, Biszko and Pinnacle will enter into a long form lease agreement or an assumption of the option Purchase and Sale agreement/option lease agreement held by Michael Biszko with Sandra Dee LLC within 30 days of the lottery held by DBR.
3. All terms of the long form lease agreement or the assumption will be negotiated by the disinterested Directors of Pinnacle (excluding Biszko), approved by the disinterested Directors of Pinnacle (excluding Biszko), and will be on commercially reasonable terms as if it was an arms length transaction.

<<signature pages to follow>>

  
Signature

December 10<sup>th</sup>, 2020

Date

Michael Biszko, Jr.

Printed Name



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Douglas Guilbert, Director



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Courtney Guilbert, Director

**PINNACLE COMPASSION CENTER, INC.**

**ACTION OF THE MEMBERS**

The undersigned, being 100% (one hundred percent) of the Disinterested Directors of Pinnacle Compassion Center, Inc., a Rhode Island Non-Profit Corporation, does hereby adopt the following resolution and direct that this consent be filed with the minutes of the Corporation:

- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, find that the Lease Option Agreement between Michael Biszko Jr. and Pinnacle should be considered an “Interested Transaction.”
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, find that all material terms regarding this Interested Transaction have been disclosed by Michael Biszko, and that the disinterested Directors have been provided an opportunity to ask questions and perform an independent inquiry.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, have reviewed the terms of the Lease Option Agreement, and find that they are commercially reasonable.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, have reviewed the terms of the Lease Option Agreement, and find that they are fair and reasonable to Pinnacle.
- RESOLVED: That the disinterested Directors, Douglas Guilbert and Courtney Guilbert, unanimously vote to approve the terms of the Lease Option between Michael Biszko Jr. and Pinnacle Compassion Center Inc.

IN WITNESS WHEREOF, the undersigned Members have duly exercised this written consent as of December 10th, 2020.

<<signature page to follow>>





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Douglas Guilbert, Director



ID zMiw2NiTigoW4scpfVdYj2Ni

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Courtney Guilbert, Director



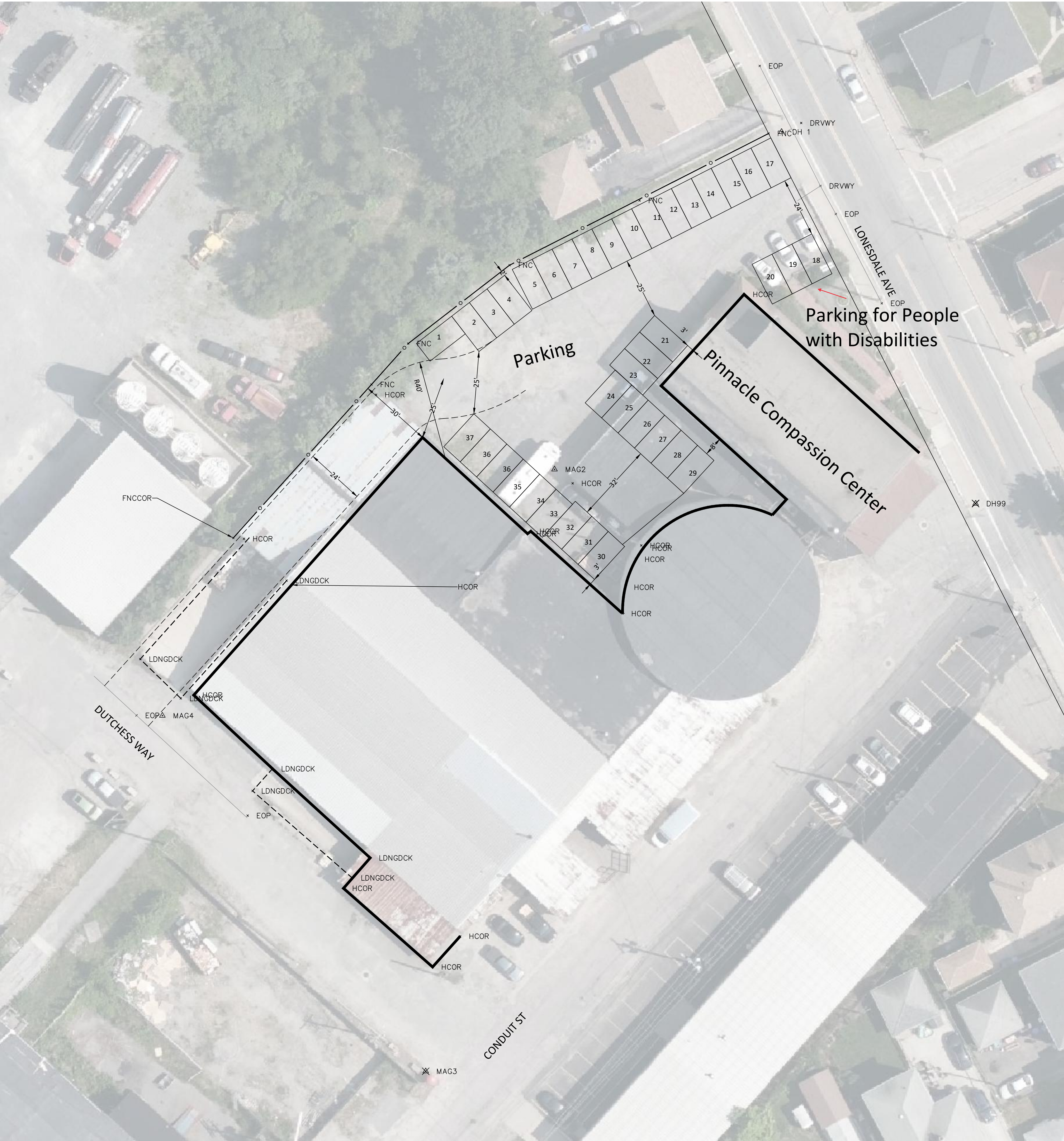
## ANNEX F - CC FORM 4: REAL ESTATE

Pinnacle Compassion Center will be located within the Department of Business Regulation designated zone #2 of Central Falls. The specific address is 1136 Lonsdale Avenue (Plat 10, Lot 113) in Central Falls, RI 02863. This property is recorded and described within the Central Falls land registry Book/Page: 00843/150.

Michael Biszko Jr. has entered into a Purchase and Sale agreement which allows for either the lease or purchase of the property. Michael Biszko will rent the property to Pinnacle Compassion Center on commercially reasonable terms, or assign the option to lease/purchase. Any rents paid will not exceed the amount of rent as listed in the Purchase and Sale agreement, and as is reflected in the Pinnacle budget. The identified plot of land currently contains a building that Pinnacle Compassion Center intends to renovate. This address is compliant with all state and city regulations in regard to distance from specified zones, distance from schools, and buffers for residential areas.









#### **ANNEX G - CC FORM 4: EQUIPMENT**

N/A - There will be no equipment to be purchased or leased by Applicant/Licensee involving compensation/remuneration of \$100,000 or more per calendar year.

## ANNEX H - CC FORM 4: ANNUAL COMPENSATION

<b>Executives:</b>	<b>Annual Compensation</b>
Chief Executive Officer/Chief Compliance Officer	
Chief Operating Officer	
Chief Financial Officer	
<b>Senior Management:</b>	
Operations Manager	
Compliance Manager	
Finance, Records and Administrative Manager	
<b>Mid-Level Management:</b>	
Security & Facilities Manager	
Inventory & Quality Control Manager	
Patient Education and Outreach Manager (Part time)	
Human Resources	
<b>Entry Level:</b>	
Facilities Staff	
Administrative Assistant	
Patient Associate	
Security Team Member	
Inventory Control Associate	

### **CC Exhibit A – Disclosure of Material Financial Interests/Divestiture Plan**

Presently the Pinnacle Vice President of the Board/Chief Operating Officer is a Member/Owner Eden of Rhode Island, LLC, a licensed Rhode Island medical marijuana cultivator.

Douglas Guilbert will be fully divesting from Eden and will have no further financial interest or operational control in any way. All paperwork requesting Mr. Guilbert's removal from Eden and his full divestiture will be submitted to DBR by Friday December 18, 2020, and will become complete upon approval by DBR. Following the submission of Mr. Guilbert's variance request to be removed, there will be no other material interest, control, or relationship (other than arms length and commercially reasonable) between Pinnacle, any agents of Pinnacle, and any other Rhode Island medical marijuana license holder.

## **CC Exhibit B – Compliance Plan**

### **Pinnacle Compassion Center Inc. Compliance Plan**

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## **Introduction**

Compliance with Rhode Island statutes, regulations, and guidance from the Department of Business Regulation/Office of Cannabis Control and the Department of Health is critical to the success of the Pinnacle Compassion Center. Pinnacle must be in full compliance at all time in order to best serve medical marijuana patients. Compliance is the responsibility of every director,

employee and contractor of Pinnacle. Two positions at Pinnacle have an extra focus on compliance: the Chief Compliance Officer and the Inventory and Quality Control Manager. The purpose of this Compliance Plan is to guide the Compliance Officer and Inventory and Quality Control Managers in their work, as well as give guidance on compliance across departments within Pinnacle. This Compliance Manual must be read in relationship with the other Pinnacle Plans, including but not limited to the Operations Manual and Security Plan, as compliance is integrated throughout all of Pinnacle's plans and manuals.

## **Role & Responsibilities of the Chief Compliance Officer**

The Chief Compliance Officer is responsible for the overall compliance of the Compassion Center with all Rhode Island statutes and regulations, guidelines or guidance from the Department of Business Regulation/Office of Cannabis Control and Department of Health, as well as all other areas of compliance - tax and financial compliance, labor compliance, building code compliance, etc. The Chief Compliance Office is also the Chief Executive Officer to ensure that Compliance is at the heart of all of Pinnacle's operations. The Chief Compliance Officer's role is big picture compliance, oversight of the Compliance Manager, and enforcing compliance reviews/reports from every department, and ensuring switch remediation and addressing of any compliance related issues.

## **Role & Responsibilities of the Compliance Manager**

The Compliance Manager has the extremely important role of ensuring the Compassion Center is operating within accordance to all regulations and guidelines. This includes developing and maintaining policies and procedures to prevent illegal, unethical or improper conduct, performing regular audits of the facility in order to remedy any potential issue before they occur, investigating and resolving compliance concerns, issues or violations. It will be their responsibility to keep up with regularly changing rules and regulations along with ensuring the understanding and implementation throughout the company. The Compliance Manager will also collaborate with the Chief Compliance Officer and management team to compile compliance concerns, issues or violations and ensure compliance across departments.

## **Role & Responsibilities of Inventory & Quality Control Manager**

The Inventory and Quality Control Manager oversees all control tasks and supervises inventory activities performed by the staff to ensure the completion of any daily tasks necessary for smooth operation. Responsibilities include receiving all products, quality control and food safety; ensuring segregation and disposal of outdated, damaged, deteriorated, misbranded or adulterated cannabis; ensuring proper tracking and disposal of unusable products based on state



and local requirements; executing precise daily, weekly and monthly inventory reports; conducting audits in accordance with state guidelines; perform the daily tracking and supply of product inventory both at the service counter and in inventory storage; ensure inventory policies and procedures are being observed by all employees; ensure all staff compliance with hygiene and sanitation guidelines; and maintain appropriate levels of supplies, organization and overall cleanliness of the department and product storage areas; maintain accurate, organized and compliant departmental records; review for assurance that no errors have occurred, or if they have occurred, that they have been investigated and resolved; communicate weekly with leadership to maintain inventory budget and goals.

### **Who may be present on the Premises**

Compliance starts with ensuring that only the appropriate people are located on the Compassion Center Premises. The Chief Compliance Officer will work with the Security Manager, Security Guards, Operations Manager, and Patient Associates to ensure that only the following people are present at the Pinnacle Compassion Center, and only have access to the appropriate areas:

1. Qualifying medical marijuana patients may be present at the Compassion Center in order to purchase medical marijuana. Patients enter into the Secured Entry, where they check in with reception to ensure that they are a registered medical marijuana patient, and that they possess a valid registry identification card and government issued identification. After verification, patients are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.
2. Out of State medical marijuana patients are permitted on the premises, so long as they have a valid medical marijuana card, or its equivalent, which has been issued by the applicable regulating authority for the medical marijuana program of the issuing U.S. state/jurisdiction/territory. The patient must also possess and present valid government issued identification matching the name on their medical marijuana card. Every out of state patient must complete an intake form which includes the home state card registration number. If the home state registration card does not include a registration number, the Patient Associate will give the out of state patient a unique identifying number in the Medical Marijuana Tracking System. All transactions of the out of state patients will be tracked by either their out of state registration number, or their number assigned by Pinnacle if there is no out of state number. Every out of state patient will receive a hand out that outlines Rhode Island medical marijuana laws and requirements. This includes the dispensing and possession limits, notice that medical marijuana cannot be taken across state lines, and notice that medical marijuana cannot be smoked in public.
3. Caregivers - Under Rhode Island law, Rhode Island patients can designate “caregivers” who can purchase medical marijuana for the patient. A caregiver must be over 21, can assist up to five Rhode Island medical marijuana patients. The caregiver must still stay in compliance with daily dispensing limits per patient and total possession limits. A Rhode Island Caregiver may enter the Pinnacle premises through the Secured Entry, where they must present their Caregiver Registration Card and their government issued ID. After

verification, caregivers are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.

4. **Authorized Purchaser** - Under Rhode Island law an "authorized purchaser" means a natural person who is at least twenty-one (21) years old and who is registered with the department of health for the purposes of assisting a qualifying patient in purchasing marijuana from a compassion center. An authorized purchaser may assist no more than one patient, and is prohibited from consuming marijuana obtained for the use of the qualifying patient. An authorized purchaser shall be registered with the department of health and shall possess a valid registry identification card. A Rhode Island Authorized Purchaser may enter the Pinnacle premises through the Secured Entry, where they must present their Authorized Purchaser Registration Card and their government issued ID. After verification, authorized purchasers are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.
5. **Visitors** - The only visitors permitted on the premises must be pre-approved by the Security Manager, and are only allowed for legitimate business-related purposes such as building maintenance, repairs or installation of equipment, or provision of goods or services. Upon arrival through the Secured Entry, all visitors must check in at the Reception. If a visitor is not on the pre-approved visitor list for the day, they will not be permitted entry. If they are on the pre-approved visitor list, the Security Guard at reception will verify and scan their government issued ID, create a visitor badge, and record the time in and the time out for the visitor. The visitor must wait in the waiting area until the Pinnacle agent arrives to escort them. All visitors must display a visitor badge and must be escorted by a Pinnacle agent at all times.
6. **Volunteers** - While Rhode Island law does permit volunteers to be present on the premises, at this time Pinnacle will not allow any volunteers within the Compassion Center. All educational programming will be conducted by Pinnacle staff, and it will be primarily conducted off-site to minimize security issues and to better engage with the patient community.
7. **Agents** - All board members, officers, and employees of Pinnacle are agents of the Compassion Center. They must have a current valid DBR registration card in order to enter the Compassion Center.

### **Purchase/possession limits**

Ensuring the property dispensing and possession limits for all patients, as well as the proper limits on medical marijuana inventory, is a critical compliance issue.

1. **Patient Dispensing Limits** - No Pinnacle agent shall dispense more than two and one-half ounces (2.5 oz.) of usable marijuana, or its equivalent, to a qualifying patient directly or through a qualifying patient's primary caregiver or authorized purchaser during a fifteen-

day (15) period. Because all medical marijuana dispensed to a patient is tracked in the Medical Marijuana Tracking System, prior to dispensing any medication the Patient Associate must verify the patient records to ensure that the limits are not exceeded.

2. Equivalency table - Because patients take their medical marijuana in various forms, DBR has published an equivalency table to ensure that the maximum dispensing amount is not exceeded, regardless of the type of medication purchased. This equivalency table is reflected in the Medical Marijuana Tracking System, and should be posted in the Dispensary Floor so all patients, caregivers, authorized purchasers and Patient Associates understand the possession limits and equivalencies. A “single serving unit” as used in the below table means no more than 10 mg of THC per single serving unit.

Marijuana Flower Weight	Equivalent Number of 10mgs of THC Single Serving Units
5 ounces	415 THC single serving units
2.5 ounces	125 THC single serving units
1 ounce	83 THC single serving units
.25 ounces	21 THC single serving units
1 gram	3 THC single serving units
Marijuana Flower Weight	Equivalent grams of Concentrate

5 ounces	38.5 grams
2.5 ounces	19.25 grams
1 ounce	7.7 grams
.25 ounces	1.9 grams
1 gram	0.3 grams
Wet Flower Weight	Dry Flower Weight (20% of Wet Flower Weight)
50 ounces	10 ounces
37.5 ounces	7.5 ounces
25 ounces	5 ounces
12.5 ounces	2.5 ounces

The Chief Compliance Office and the Compliance Manager shall monitor all communications from DBR and DOH to ensure that if there are any updates to the equivalency chart, they are reflected in this plan and in all postings within the Compassion Center.

## **Compassion Center Cardholder Requirements**

### Initial Registration and Registration Requirements

All directors, officers, agents and employees of Pinnacle must be a “compassion center cardholder” and be registered with DBR and have a valid registry identification card. Before Pinnacle starts any operations, all owners, members, officers, directors, managers, agents and employees must apply for a registry identification card with DBR.

As required by Rhode Island law, everyone who must apply for a registry identification card, with the exception of employees, must first obtain a criminal background check as a part of the card application process. The criminal background check will be processed by the agency designated by DBR, which the Compliance Manager will verify at least every 6 months. If any applicant has been convicted of a felony drug offense or has entered a plea of nolo contendere for a felony drug offense and received a sentence of probation, then they will be disqualified for receiving a Compassion Center registration card. Under RI law, even if there is a disqualifying conviction or plea of nolo contendere, there may be an exception made if the offense was for conduct that occurred prior to the enactment of the Edward O. Hawkins and Thomas C. Slater medical marijuana act or that was prosecuted by an authority other than the state of Rhode Island and for which the Edward O. Hawkins and Thomas C. Slater medical marijuana act would otherwise have prevented a conviction. The Pinnacle Board, not including the potential registrant with the criminal background, will determine on a case by case basis whether to pursue an exception under § 1.4(C)(8) of DBR regulations, RIGL § 21-28.6-12(c)(7), 21-28.6-9(c) and 21-28.6-16(k)(2). In determining whether to pursue an exception, the Pinnacle Board will review the seriousness of the offense, the prior full disclosure by the applicant to Pinnacle, the skills and experience the applicant may bring to Pinnacle, the possibility of the applicant posing a security or safety risk, and the likelihood of the success of the exception. The decision of the Pinnacle Board to pursue an exception is final, and Pinnacle is under no obligation to pursue an exception for any applicant. At no time shall any person rejected for registration by DBR because of a criminal background check be permitted to perform any work or participate in any Pinnacle activities until DBR grants an exception. If the Pinnacle Board declines to pursue an exception, all association with the rejected applicant between Pinnacle and the applicant shall be terminated.

Pinnacle requires that employees still submit to a criminal background check for employment at Pinnacle, however the background check for employees is not currently required under the Rhode Island regulations for employee card registrations. Per the Rhode Island regulations, all Compassion Center cardholders must be over 21. This must be communicated in all recruiting for employment positions, discussions with potential new Board members or officers, and verified before any interviews.

For any new hires, directors, officers or agents, the application for new registration will be the first thing which will occur after signing the employment contract. For board members and

owners and any other role which requires a criminal background check, that will occur before an employment contract is signed so that Pinnacle can ensure that roles are only offered to people who will qualify under Rhode Island law. Pinnacle will cover all expenses related to obtaining a registry identification card. In the time between applying for a card and receiving final approval from DBR and receiving the card, employees, officers and directors may participate in the aspects of Pinnacle which do not involve receiving, storing, inspecting, inventorying, dispensing, or in any way interact with medical marijuana until the receipt of the registration card.

#### Ongoing Background Checks and Updating Criminal Information

DBR requires that every Compassion Center cardholder who requires a criminal background check to do so at least every 2 years, although DBR may communicate to the Chief Compliance Officer and/or Compliance Manager that a cardholder or cardholders may need to receive background checks more frequently. If Pinnacle receives such a notice from DBR, the Compliance Manager will ensure that the additional background checks are performed. The Compliance Manager will be in charge of ensuring that all renewals, and criminal background checks where required, are completed in a timely fashion and submitted to DBR.

All Pinnacle cardholders must be made aware upon initial registration, and on at least a monthly basis, that if a cardholder is charged with any crime which may result in disqualification under RIGL § 21-28.6-6(g), 21-28.6-12(c)(7) and 21-28.6-16(k)(2), they must notify the Compliance Manager immediately. The Compliance Manager will work directly with the Directors and Officers to ensure ongoing education regarding the duty to inform, and the Human Resources staff will work to ensure that all employees certify at least monthly that there has been no change to their criminal status.

Pinnacle requires that all cardholders notify Pinnacle immediately of any charges, of any kind, in any jurisdiction, whether or not the charges may result in a disqualifying conviction or plea. This is so that the Pinnacle Compliance Officer, Compliance Manager and Human Resources may monitor the status of the case. The Pinnacle Compliance Officer and/or Compliance Manager may choose to suspend or terminate any employee based on a criminal charge, without pay, depending on the nature of the charge, the seriousness of the underlying offense, the potential security risk which the offense may indicate, and the potential for the cardholder to ultimately become disqualified. The Compliance Team may also consult with the Security Manager on this determination. Should a Pinnacle Director or Officer be charged with any crime, the other Board Members (not including the charged Director or Officer) may vote to temporarily suspend the Board Member charged with a crime or permanently remove the Board Member charged with a crime, using the same evaluation criteria as listed above. The Pinnacle Compliance Officer or Compliance Manager will notify DBR of any disqualifying criminal conviction in writing within 10 business days.

#### Ongoing Updates to Other Information

It is critical that all cardholders maintain accurate information with both Pinnacle and DBR. This includes, but is not limited to, the cardholder's mailing addresses, email addresses, phone numbers, or any other changes in contact information reported on the most recent initial/renewal

application. The Compliance Manager will work with Human Resources ensure that all employees understand that they may be subject to disciplinary action if they fail to update their information with the Compliance Manager and Human Resources office, and require that all employees sign a verification of their contact information on at least a monthly basis to confirm their contact information. The Compliance Manager will be in charge of confirming all other agents (other than employees) understand the requirement for updating contact information, and will require verification of all contact information on at least a quarterly basis. The Chief Compliance Officer and Secretary will also have a standing agenda item at all Board meetings to confirm contact information. Should Pinnacle become aware of any changes in contact information, the Compliance Manager will notify DBR in writing within (10) days of the change.

Pinnacle will be responsible for the cost of any updates to the contact information for any cardholders in order to ensure that cardholders do not hold off on updates because of cost. If any cardholder fails to properly update Pinnacle, however, any penalty levied by DBR for failure to update information must be paid by the cardholder. For all employees, Pinnacle will pay the fee immediately in order to ensure ongoing compliance, and the penalty will be deducted from the employee's next paycheck.

As soon as a cardholder receives an updated registration card, the cardholder must surrender their old card to the Pinnacle Compliance Manager. The Pinnacle Compliance Manager will either oversee destruction of the previous card, or follow any guidance or requirements of DBR to ensure that the registration card is destroyed.

#### Cancellation of Compassion Center Cardholder Card

Prior to or immediately upon termination of any employee, the Human Resources office will notify the Compliance Manager of the need to cancel the registration. Prior to or immediately upon the removal of a director or officer, the Chief Compliance Officer (or CEO if the CCO is leaving) will notify the Compliance Manager of the need to cancel the registration. All registration cards must be returned by the cardholder to the Compliance Manager. The Compliance Manager must notify DBR in writing of the revocation within 3 days, and the registration must be returned to DBR within 10 days. Pinnacle shall pay any fees associated with revocation, however if a fee or penalty is incurred because the revoked cardholder refused to return their registration card to the Pinnacle Compliance Manager, or failed to return it within the required timeframe, then Pinnacle may require reimbursement for any fees or penalties incurred.

#### Lost or Stolen Cards

If a Compassion Center Registration card is lost or stolen, the Pinnacle Compliance Manager must take immediate action to ensure the security and compliance of Pinnacle. The Compliance Manager must immediately notify the Chief Compliance Officer and the Security Manager of the lost or stolen card. In addition, the Compliance Manager must notify DBR within 10 days of the lost or stolen card. Pinnacle will pay all fees associated with the replacement of the lost or stolen card to ensure immediate replacement, however if a cardholder requires more than 1 replacement card in a 6 month period, then Pinnacle may require reimbursement for the replacement costs.

The Compliance officer will work with all relevant staff to ensure that the new random ID number provided by DBR is updated in all Pinnacle systems.

The Compliance Manager will ensure that all cardholders receive training on the importance of safeguarding their registration card, and best practices to prevent loss and theft. The Compliance Manager will oversee random spot checks on cardholder's possession of their cards, and may institute a required daily scan of all employees' registration cards in order to ensure all cardholders are in possession of their cards.

### **Ownership Requirements**

The Chief Compliance Officer and the Compliance Manager will ensure Pinnacle stays in compliance related to ownership and control of Pinnacle.

### **Residency Requirements**

First, the CCO shall ensure that all Officers and Board members of Pinnacle are Rhode Island Residents. The CCO shall oversee the Compliance Manager conducting a quarterly interview of all Officers and Board Members to ensure that their residence has not changed. In addition, the CCO will ensure that all Officers and Board members are aware of this requirement.

### **Interest Holder Requirements**

The CCO and Compliance Manager will be responsible for maintaining the list of all people who qualify as "interest holders" of Pinnacle under Rhode Island law.

In accordance with Rhode Island law, an interest holder is defined as:

1. All persons and entities with ownership interests;
2. All officers, directors, members, managers and agents;
3. All persons or entities with managing or operational control;
4. All investors or other persons or entities with any financial interest;
5. All persons or entities with interests arising under management companies or agreements or other agreements that afford third-party managerial or operational control;
6. If the compassion center premises and/or other operational assets will be owned or leased by a person or entity other than the applicant, the legal name and current address of such person or entity and a list of all persons or entities (legal names and current addresses) having any ownership or financial interest in such entity, whether direct or indirect; and



7. Any creditors that will loan money to, finance and/or hold a security interest in the premises and/or other assets to be used in the compassion center operations, if any.

The CCO and Compliance Manager will ensure that the interest holder list is updated after any variance is approved by DBR.

#### Material Financial Interest or Control

If any key person/interest holder of Pinnacle has a material financial interest or control in any other Rhode Island medical marijuana license (cultivation, Compassion Center, cooperative cultivation or other marijuana establishment license type as determined by DBR), then they must immediately divest from either Pinnacle or from the other Rhode Island medical marijuana license in order to stay as an interest holder in Pinnacle.

Per Rhode Island regulations, “material financial interest or control” means:

1. Any ownership interest, regardless of the size of the holding, and including any ownership interest through a subsidiary or affiliate;
2. Trusteeship, mortgage, guarantor, endorser or surety relationship, or loan relationship, except that loan relationship for the purposes of this definition shall exclude accounts payable and accounts receivable on account of a medical marijuana purchase order;
3. Any other beneficial financial interest as determined by DBR such that the holder bears the risk of loss (other than as an insurer) or has an opportunity to gain profit from the operation or sale of the regulated medical marijuana business; and/or
4. Managerial or operational control, including but not limited to interlocking directors or officers or through a management agreement.

The CCO shall be responsible for informing DBR immediately of any prohibited material financial interest or control by an interest holder, and the plan for divestiture. It is the CCO’s job to ensure the divestiture is complete, and to inform DBR.

The CCO will be responsible for educating the Board, Officers, Executives and Management on the prohibition against interest holders in Pinnacle having any material financial interest or control in any other Rhode Island medical marijuana license. The CCO and Compliance Manager will also conduct a disclosure interview with each person on the interest holder list at least quarterly to review the disclosure requirements of all interest holders, and ensure their current information is up to date.

For all votes of the Board, the CCO will be responsible for evaluating any potential impact on the list of interest holders of Pinnacle, as well as identify any decisions which require prior DBR approval through a variance. Should the CCO, in consultation with Pinnacle’s legal counsel, determine that a vote of the Board requires a prior variance and evaluation of any interest holder conflicts, the Board may only approve a vote subject to DBR approval. If the Board does

approve such a decision which may require a variance from DBR, the Compliance Manager will be responsible for confirming there is no violation of interest holder and ownership statutes and regulations, preparing and submitting the variance request to DBR, communicating any feedback from DBR to the CCO, and updating the Board on the progress of the variance.

The CCO will ultimately be responsible for the ongoing reporting and updates to DBR.

#### DOH Approved Lab

It is critical to the integrity of the medical marijuana program in Rhode Island that the DOH testing labs maintain their independence. In accordance with Rhode Island law, Pinnacle will not have any material financial interest in any DOH approved marijuana testing lab, and vice versa. No Pinnacle interest holder will be permitted to have any material financial interest or control of any DOH licensed lab. Pinnacle employees will be permitted to have any material financial interest or control in any DOH licensed cannabis lab, nor can they be an employee or contractor of any DOH licensed cannabis lab while employed by Pinnacle.

The CCO will be responsible to inform and educate the Directors, Officers and Executives on the prohibited relationships with DOH approved cannabis labs, and the Compliance Manager will be required to inform and educate all other employees. The CCO and Compliance Manager will conduct at least quarterly interviews with all Directors, Officers, Executives, and other employees to ensure compliance. The CCO will be responsible to identify any potential Board votes which may result in a violation of Rhode Island related to lab independence, and to prevent the Board from adopting any decision which could result in a violation of this regulation.

#### **Annual Compassion Center License Renewal**

The Chief Compliance Officer and the Compliance Manager will be responsible for ensuring the timely annual renewal of the Pinnacle Compassion Center license. The Pinnacle Compassion Center license will need to be renewed on an annual basis. The CCO and Compliance Manager will initiate the renewal process at least four (4) months prior to the renewal date. The CCO and Compliance Manager will carry out the renewal process with the following timeline:

- (1) The Compliance Manager will review all forms and requirements of DBR for the renewal process. The CCO and Compliance Manager will develop a renewal timeline and plan which will be shared and reviewed with all executives and management
- (2) Review of all rates of products at the Compassion Center, spearheaded by the Patient Education & Outreach Manager, Operations Manager, and Finance Manager. This will include a survey process with the patients utilizing Pinnacle, a review of the pricing of other Rhode Island licensed Compassion Centers, a review of the discount programs offered by Pinnacle, and a review of the Pinnacle profit and loss statement for the previous year.
- (3) The Compliance Manager will conduct a comprehensive review of all DBR Bulletins, updates to RI regulations and statutes, and any other developments in applicable laws, in

conjunction with legal counsel for Pinnacle. The summary of any updates or changes to applicable laws or regulations will be reviewed with the Compliance Manager, Chief Compliance Officer and Pinnacle legal counsel. Any updates or changes will include a proposal on changes to Pinnacle SOPs and/or policies, and will be categorized by applicable department. The proposed changes will be sent to each department, and the Manager for the department is responsible for the integration of the changes into the manual, SOP, or handbook for that department. The changes will be made in redline, and reviewed by the Compliance Manager before they are fully integrated. Each department will work with the Compliance Manager to develop a plan and timeline for any additional training which Compassion Center cardholders may need due to the updates.

- (4) The Compliance Manager will be responsible for obtaining updated certification of nonprofit compliance and an interest holder/key person disclosure and certification. The certifications will be subject to final review by the Chief Compliance Officer prior to submission.
- (5) The Compliance Manager will be responsible for completing and submitting all forms to DBR, after a final review by the Chief Compliance Officer.
- (6) The Chief Compliance Officer will be responsible for coordinating the annual inspection of Pinnacle by DBR.

### **Inventory Compliance**

It is the responsibility of the Chief Compliance Officer, the Compliance Manager and the Inventory & Quality Control Manager to ensure that the Pinnacle Compassion Center does not have more inventory than is necessary to meet the projected needs of the patients Pinnacle is serving. In order to do this, the Inventory Manager will create monthly reports of inventory on hand and patient sales. The reports will break down sales and inventory based on each product type. This will allow the Compliance Manager and Inventory Manager to review the reports, update forecasts for inventory needs, and adjust purchase orders from cultivators.

In order to both ensure that Pinnacle will not exceed the projected needs of patients, and that Pinnacle has a consistent supply of needed medication, Pinnacle will have no more than a 2 week projected supply of any product on hand at any time. The actual amount on hand may be adjusted by the Inventory Manager based on the popularity of the product, the availability of the product, the shelf stability of the product, and other factors as the Inventory and Compliance Managers determine. This may mean that certain products have a lower inventory maximum. The inventory maximum information will be tracked by the Inventory Manager, and will inform the Inventory Manager's ordering and recommendations on the monthly inventory reports.

The Chief Compliance Officer will review the monthly inventory and sales reports, as well as the recommendations included from the Inventory and Compliance Managers, and will either amend the recommendations or sign off on the recommendations. This finalized report will then be used by the Inventory Manager to adjust future product orders for the coming month.

No changes will be made to the layout of the Pinnacle Compassion Center, or to the vault where medical marijuana is stored, without prior permission from DBR in the form of a variance. If the Inventory Manager at any time believes that the required products for the projected patient need will exceed the size of storage allocated in the vault, the Inventory shall immediately meet with the Compliance Manager to review the storage issue. If the Compliance Manager agrees that there needs to be a change to the Compassion Center layout in order to accommodate the secure storage of more medical marijuana products, the Inventory Manager and Compliance Manager must meet to review and discuss with the Chief Compliance Officer. They will review past sales numbers, past inventory numbers, and evaluate whether there are any other solutions to have sufficient secure storage to meet patient needs. If there is not, and the Chief Compliance Officer agrees that the Vault must be expanded, the Compliance Manager will be tasked with preparing and submitting the variance request. No changes will be made to the secure storage and inventory until Pinnacle receives the variance from DBR, all required alterations are made in accordance with variance request and applicable laws, and (if required) there is a final inspection by DBR.

At all times Pinnacle will be in compliance with Rhode Island statutes, regulations, and guidance from DBR on the amount of inventory permitted at Pinnacle.

#### Medical Marijuana Program Tracking System

The Compliance Manager is responsible for ensuring that the Medical Marijuana Program Tracking System is being properly used by all departments at Pinnacle. The Compliance Manager will review all communications and bulletins from DBR and DOH regarding any updates or changes to the Tracking System, and ensure updates to all Standard Operating Procedures and Pinnacle practices.

The Compliance Manager will work closely with the Inventory Manager to ensure that the Tracking System is properly utilized from the moment any medical marijuana arrives at the receiving area from a Rhode Island licensed cultivator. The Inventory Manager will be responsible for overseeing that all deliveries of medical marijuana products are properly entered into the Tracking System. The Inventory Manager will also oversee the inspection of all products arriving at Pinnacle, and identifying any defective products. Should any defective products require quarantine and destruction, the Inventory Manager will be responsible for documenting all proper steps were taken and that the Tracking System is properly updated. Finally, the Inventory Manager must ensure that all testing performed by Rhode Island licensed cultivators is properly reflected in the Tracking System prior to any delivery departing from the cultivator for delivery at Pinnacle.

The Compliance Manager will be responsible for coordinating all initial training with Pinnacle executives and management on the Tracking System, as well as developing and overseeing the training of all staff on the Tracking System. The Compliance Manager will conduct “refresher” trainings with each department at least every two months, and will be readily available to answer questions and troubleshoot any issues any staff encounter in using the Tracking System. The Compliance Manager will oversee a monthly written test given to all staff utilizing the Tracking System in order to ensure their correct usage of the Tracking System. Finally, the Compliance

Manager and the Inventory Manager will reconcile the physical inventory count with the Tracking System on at least a weekly basis to ensure correct usage of the Tracking System and that there is no diversion occurring. If there are any issues or discrepancies which cannot be immediately resolved, the Compliance Manager will promptly contact DBR.

Should any employee at Pinnacle utilizing the Tracking System believe there is any malfunction or error with the system, the employee must immediately inform the Compliance Manager. The Compliance Manager will immediately investigate the issues, and notify DBR.

Should DBR confirm that there is a problem with the Tracking System as a result of the Compliance Manager's communication, or should DBR reach out directly to the Chief Compliance Officer or Compliance Manager to inform them of a problem with the Tracking System, the Chief Compliance Office and Compliance Manager shall immediately take the following steps: The Chief Compliance Officer and the Compliance Manager will immediately implement the alternative tracking as required by DBR. This may include conducting an initial comprehensive inventory of all medical marijuana, conducting daily subsequent comprehensive inventories, and/or conducting a monthly inventory of all medical marijuana. Records of any hand inventory must be kept both in hard copy, and electronically, and must be kept in the Security Room. Any hand inventory results must be made available to DBR upon request. The Chief Compliance Officer and Compliance Manager shall ensure strict compliance with the plan sent by DBR.

## **Inventory**

The Compliance Manager will work closely with the Inventory & Quality Control Manager to ensure that the following policies related to inventory are followed.

### Purchase of Medical Marijuana Products from Cultivators

The Inventory & Quality Control Manager ("Inventory Manager") will be responsible for all orders placed for medical marijuana products. Products will only be sourced from Rhode Island licensed cultivators. In accordance with Rhode Island law, the Inventory Manager will enter into a formal agreement with the RI licensed cultivator. The formal agreement must contain the following provisions:

1. All products sold by the cultivator to Pinnacle will be in compliance with RI law;
2. The cultivator is responsible for testing at a DOH licensed lab, and compliant Certificates of Analysis (COA) must be provided electronically prior to the delivery of any product to the Compassion Center;
3. Pinnacle will contract with the cultivator to label all packages. All labels will be in compliance with RI law, and will be applied by the cultivator, including the labeling identifying Pinnacle as the Compassion Center where the product is sold;
4. The cultivator will only offer DBR approved products for sale to Pinnacle;

5. All products will be in compliance with RI laws regarding shapes, flavoring, imprinting of symbols, THC content, and additional ingredients;
6. All products will be in compliance with RI laws, as well as any state and federal laws incorporated by reference in the RI regulations, regarding manufacturing, including prohibited ingredients, solvents, and practices;
7. All products will in be in compliance with RI laws, as well as any state and federal laws incorporated by reference in the RI regulations, in regards to the use of pesticides;
8. All pesticides used in the cultivation of the medical marijuana are disclosed directly to Pinnacle to ensure pesticide compliance, regardless of the end form which the product takes (edible, flower, topical, etc.);
9. All packaging provided by the cultivator will be compliant with Rhode Island law;
10. The cultivator has developed the insert in compliance with RI law, and the cultivator will send a copy of the required insert which will be inside each product for Pinnacle's review;
11. If the product contains the cultivator's logo, the logo has been approved by DBR and is applied in compliance with RI labeling requirements;
12. If the cultivator will be applying the Pinnacle logo to the packaging, the cultivator will do so in a way that is compliant with RI labeling requirements;
13. The cultivator will not make any health claims on the packaging, including but not limited to health or physical benefit claims on labels or packaging;
14. The cultivator will be responsible for delivery of the products to Pinnacle, and delivery practices and procedures will be in full compliance with Rhode Island law;
15. Deliveries will only be accepted at Pinnacle at pre-arranged mutually agreed upon delivery times--any delivery from a cultivator which is more than 30 minutes early or late will be rejected by Pinnacle;
16. For smokable and vappable forms, no flavoring or coloring has been added except for flavors or coloring that are derived solely from cannabis and have been procured in accordance with applicable Rhode Island laws;
17. The cultivator must send a photograph of exterior packaging, labeling, product shapes, and (if applicable) product imprinting for approval by the Compliance Manager and/or Inventory Manager prior to delivery of the product to Pinnacle; and

18. If any medical marijuana products sold by the cultivator to Pinnacle are defective in any way, including out of compliance with Rhode Island law, the cultivator will work cooperatively with Pinnacle to address the defects, which may include informing DBR of the defect and the corrective action plan (if applicable);
19. The cultivator's license is current with DBR, and there have been no notifications from DBR which could impact the validity of the cultivator's license;
20. Date of execution/placement of the contract/purchase order;
21. Description and amount of product to be sold and/or services to be provided;
22. The total price and per unit price of the product to be sold and/or services to be provided;
23. The specific date or date range not spanning more than thirty (30) calendar days for fulfillment of the order, performance of the services, and delivery or pickup;
24. The payment due date, as specifically agreed between the parties, but if no date is specifically agreed to, payment shall be made within thirty (30) calendar days of delivery or pickup; and
25. Contracts/purchase orders may not be modified but may be cancelled or voided by the creation of a new replacement contract/purchase order.

#### Process for Placing Order

All orders placed by the Inventory Manager must be placed in writing in a Purchase Order sent to the licensed cultivator. The order must be confirmed by the cultivator in writing. When the order is ready, the cultivator must send a photo to the Inventory Manager which includes the exterior packaging, insert, labeling, product shape, and (if applicable) product imprinting, as well as a description of the full product ingredients. The cultivator must also send the COA from the DOH licensed laboratory, showing compliance with current DBR and DOH testing and product requirements. The Inventory Manager must review all of this information for each batch of products, and confirm compliance with all applicable laws prior to a shipment being scheduled. Once the Inventory Manager has reviewed all details for the shipment, the Inventory Manager will confirm the delivery date and time with the cultivator.

The Inventory Manager will compile monthly order reports for the Compliance Manager, which will include the photos, information and reports sent by the cultivators for each batch of products. The report will also include the purchase order, all communications between the Inventory Manager and the cultivator, the delivery date, and the result of inspection of the products following receipt. The Compliance Manager will review the monthly order reports, identify any potential compliance issues, and immediately address or correct any issues.

## Delivery

After a delivery has been scheduled, upon arrival of the cultivator delivery at Pinnacle, a member of the Inventory Control team will confirm receipt of the product(s) in the presence of the authorized transport cardholder, and initial each line item on the cultivator's manifest and the receiving licensee's manifest. The Pinnacle Inventory Control team member will then immediately re-weigh, re-inventory, and account for all marijuana and marijuana products transported. In addition, the member of the Inventory Control team must spot check the products to ensure compliance with all product requirements - labeling, packaging, etc. If all records match and the spot check does not result in any non-compliant product being identified, the products will be immediately entered into Pinnacle's Medical Marijuana Tracking system by the Inventory Control team. The entries will include the unique identifier, product name and quantity, with the applicable detailed transport manifest.

The delivery, confirmation of receipt, inventory, weighing, and entry of the products into the Tracking System will all take place in the receiving area, and will be in full view of the Pinnacle security camera system. Following the receiving process, all products must immediately be moved to the Vault.

If the Inventory Control team member detects any discrepancies, they must immediately notify the Inventory Manager and Compliance Manager. The Inventory Manager or Compliance Manager must immediately review the discrepancy, and no products will be entered into the Pinnacle Tracking System. The Inventory Manager or Compliance Manager will immediately call DBR and local law enforcement to report the discrepancy, and take any action requested of Pinnacle by DBR and law enforcement. Any products or deliveries subject to a discrepancy must be transported to the vault by the Inventory Manager or Compliance Manager, within full view of the Pinnacle video security cameras, and must be stored within the vault until Pinnacle receives instruction from DBR or local law enforcement on how to proceed.

## Cultivator Information

The Inventory Manager will maintain a list of all cultivators which Pinnacle purchases products from. Included in the list will be the contact information for ordering, the contact information of the Chief Compliance Officer, the license number of the cultivator's DBR issued license, and the expiration date of the cultivator's DBR issued license. It will be the Inventory Manager's responsibility to obtain an updated copy of the cultivator's license upon renewal to ensure that no products are purchased from unlicensed suppliers.

## Product Compliance Audits

Pinnacle will not be cultivating medical marijuana, manufacturing products (unless Pinnacle's cultivation variance is approved), or packaging and labeling products, but instead will be contracting with licensed cultivators to provide all retail ready medical marijuana products. Because of this, Pinnacle will require that the cultivators supplying products to Pinnacle are producing and providing fully compliant products. In order to ensure that Pinnacle is not ever engaged in the sale of products which are not compliant with Rhode Island medical marijuana



law, the Inventory Manager and Compliance Manager will oversee and conduct a monthly audit of all products being sold at Pinnacle.

The audit will include:

1. Verification that all products are DBR approved medical marijuana products;
2. Verification that manufacturing methods used by cultivators providing products to Pinnacle using a solvent extraction process are approved by DBR;
3. Verification of all COA results from a DOH licensed cannabis testing lab;
4. All appropriate warning labels are applied on the exterior of all products. The audit must include confirmation that all warnings are in English, are in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read, the text is no smaller than 8 point font and bolder, the warnings are not covered or obscured, the warnings are in a bright yellow box, the text of the warnings are the exact language as approved by RI law and DBR, and that all the applicable warnings are applied to the type of product (ex: vaping warnings are on all vaping products, infused warnings are on all infused products, topical warnings are on all topicals, etc.).
5. Any unauthorized health claims or claims that the product will cure, prevent or treat any health condition, located on the product or on the packaging;
6. All labels meet labeling requirements, including font size and type, color language, no obstruction of labels, the business or trade name and license number of the cultivator, Pinnacle's name and license number, the Medical Marijuana Tracking System unique number, the total THC and CBD (as confirmed by the DOH licensed lab COA), universal warning symbol in the appropriate location and of the appropriate size, a use by or expiration date (if applicable), vape cartridge symbol (if applicable), Poison Control information, and for smokeable and vappable products the net weight of the product prior to placement in the package.
7. For all medical marijuana infused products, verification that the packaging has the total contents of THC and CBD must be stated per serving unit in milligrams (mgs), and in font larger than size 6, bolded, underlined and in red, the serving size, and the number of servings per package.
8. Verification that every package has an insert which includes the complete list of the following information. Because Pinnacle cannot open any packaging, the Inventory Manager will re-review the insert images sent by the cultivator, and contained within each order report.
  - a. A complete list of all nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation and production of the medical marijuana product;

- b. For medical marijuana infused products, the net weight of the medical marijuana or medical marijuana product prior to its placement in a package, using a standard of measure compatible with the tracking system;
  - c. For medical marijuana products consisting in whole or in part of marijuana flower or marijuana trim, the date of the harvest batch;
  - d. For marijuana products including concentrates and marijuana infused products that were manufactured, the date on which the manufacturing batch was created;
  - e. For processed medical marijuana products, the processing technique or solvent(s) used to produce the product;
  - f. For processed medical marijuana products, a list of all chemicals, diluents, additives, ingredients and/or excipients used to produce the medical marijuana product or that were added to the medical marijuana product;
  - g. For medical marijuana infused products, a list of all ingredients used to manufacture the marijuana infused product, including identification of any major allergens contained in the product in accordance with the Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010), specifically milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat and soybeans;
  - h. For medical marijuana edibles and ingestibles, a nutritional fact panel in accordance with 21 C.F.R. Part 101, incorporated above at § 1.1.7(B) of this Part;
  - i. For medical marijuana topicals, a list of all ingredients in descending order of predominance by weight or volume as applicable; and
  - j. For medical marijuana topicals, the amount recommended for use at any one time.
9. Any pesticides used in the cultivation process are those approved by RI law and DBR, and any statutes and regulations incorporated by reference into RI law.
  10. For smokable and vappable forms, no flavoring or coloring has been added except for flavors or coloring that are derived solely from cannabis and have been procured in accordance with applicable Rhode Island laws;
  11. All packaging meets the requirements for child-resistant packaging as defined by RI law, and any other laws incorporated by reference.
  12. All products are in compliance with the packaging requirements specific to that type of product - liquid edibles, ingestibles, concentrates, etc.

13. A single serving of any medical marijuana product does not exceed ten (10) milligrams of active THC, no package exceeds 100mg of active THC, and no bundled package exceeds maximum patient possession limits (including the equivalency as determined by the equivalency chart).
14. For concentrates, all cartridges have received a consumer testing certificate, all electronic vaporization devices have internal or external temperature controls and have a heating element made of inert material, and the total THC per package is not more than 500mg of active THC.
15. Verification that all edibles have the appropriate symbol on each serving unit, and in accordance with regulations. Because no products can be opened by Pinnacle, the Inventory Manager will review the photos from batches sent by cultivators who have supplied products to Pinnacle.
16. Confirmation that no products are in the shape of a human, animal, fruit, cartoon character or shape which may be attractive to children, resemblance to any existing branded consumer products, including foods and beverages that do not contain marijuana, be in the shape of a marijuana plant or leaf, or cause a reasonable consumer confusion as to whether the medical marijuana product is a trademarked product. This verification shall be done through review of product photos, as well as inspection of exterior packaging.
17. That no logo on the packaging is in violation of RI law, and the logo size and placement meets all RI requirements.

Upon the completion of the monthly audit, the Inventory Manager and Compliance Manager will produce a full report on the compliance of all products being sold at Pinnacle. Should any products be found to be out of compliance, they will be immediately pulled from being offered for sale. The Compliance Manager will reach out to the Chief Compliance Officer of the cultivator which supplied the products within 1 business day of the discovery of any non-compliant products. If the products may be made compliant by corrections to labeling, inserts, or other items which do not require Pinnacle to open any packaging containing medical marijuana, Pinnacle will work with the cultivator to bring the products into compliance. If the products may not be made compliant by Pinnacle, either because the packaging must be opened, or the products themselves are out of compliance, the Compliance Manager will seek guidance from DBR as to how to handle the non-compliant products, as Pinnacle is not permitted to transport medical marijuana products back to the cultivator. The Compliance Manager will comply with all guidance and requirements from DBR on how to address the non-compliant products, including quarantine and destruction of product if required by DBR.

#### Product Complaint by Patients

Should any patient raise any concerns regarding product quality, packaging, ingredients, or anything else which may implicate a violation of Rhode Island laws regarding medical marijuana products, the issue will immediately be logged by the Patient Associate and reported to the

Compliance Manager. The Patient Associate must attempt to capture the name of the product, the date the patient purchased the product (if known by the patient), and the nature of the issue. The Compliance Manager and Inventory Manager will immediately investigate the complaint, and make the cultivator aware of the complaint so that they may be able to investigate any compliance issues. If the Compliance Manager believes the issues to be impacting either already sold products or existing inventory, and the issue means that the product is potentially out of compliance with Rhode Island regulations, then the Compliance Manager will immediately inform the CCO, and contact DBR in order to be advised on how to address the issue. The Compliance Manager will be tasked with carrying out any next steps as required by DBR.

### Recalls

Should the Chief Compliance Officer or Compliance Manager receive any communication from DBR or DOH regarding a recall, the Compliance Manager will immediately work with the Inventory Manager and Operations Manager to perform the following:

- (1) All inventory impacted by the recall will be immediately pulled from the products being offered for sale by Pinnacle to patients.
- (2) All inventory impacted by the recall will be segregated within the vault into a container labeled “RECALLED” in red point 40 font on all sides of the container.
- (3) Pinnacle will send an email to all patients who have purchased the product informing them of the recall, the reason for the recall, and the recommendation on what to do if a patient still possesses any of the recalled product (as advised by DBR). Based on DBR’s guidance, Pinnacle may instruct patients possessing the recalled product to return the product to Pinnacle for destruction.
- (4) The Operations Manager will ensure that a sign is posted at the Point of Sale alerting the patients that the product has been recalled, and instructions on what to do if a patient still possesses any of the recalled product.
- (5) The Operations Manager will ensure that all Patient Associates are informed of the product recalled, the reason for the recall, how to inform the patients about the recall, instructions for what patients should do if they still have the recalled product, and what Patient Associates should do if a patient arrives at Pinnacle with the recalled product.
- (6) If DBR informs Pinnacle to destroy the recalled product, the Compliance Manager will oversee the destruction of the recalled product and the input of any destroyed products into the Medical Marijuana Tracking System.

### Defective Product Requiring Disposal

If any products are required to be disposed of by DBR, or must be disposed of because of a defect in a product (mold, contamination, etc.), the Compliance Manager will oversee the destruction of the medical marijuana product. At this time Pinnacle will only be able to offer returns, refunds or product replacements for defective products in order to ensure the highest level of compliance with the Tracking System.

Any marijuana or marijuana product which must be destroyed must be made unusable and any marijuana plant material made indistinguishable from other plant material by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials. The resulting mixture must be at least fifty percent non-marijuana waste by volume. Marijuana waste rendered unusable will then be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition. The Inventory Manager will perform the mixing of the destroyed marijuana, and the Compliance Manager will oversee the process. Records will be kept of the exact date of the destruction, the name of the product, the amount of product destroyed, the volume of the product destroyed, and volume of the non-consumable solid waste and the nature of the non-consumable waste, the final volume of the combined marijuana product and non-consumable waste, the date the destroyed marijuana was delivered to the disposal facility, and the name and location of the disposal facility. The Compliance Manager must take a photograph of the mixed marijuana and non-consumable solid waste prior to mixing, and after mixing. The log and photographs will be combined together and maintained with the records in the Security Room. All destruction of marijuana must be done in an area within full view of Pinnacle security cameras.

The Inventory Manager will be responsible for updating the Medical Marijuana Tracking System to reflect that the marijuana product has been destroyed.

The Compliance Manager will review this procedure on at least an annual basis, and ensure that it is in compliance with DBR regulations and recommendations, as well as DEM regulations and recommendations.

## **Communications**

### Advertising

The Compliance Manager will work with the Administrative team to ensure that Pinnacle is fully in compliance with all restrictions on advertising. Pinnacle will not engage in any print, radio or TV advertising, nor will Pinnacle hand out handbills on any publicly owned property.

Pinnacle's online marketing will only involve Pinnacle's website to provide information to patients. The website will require that anyone attempting to use the website verify that they are over the age of 21, and that they are authorized to use and/or purchase listed products. The website will include the phrase "for use only by qualified patients" and will include the Pinnacle license number. The website will not promote application or enrollment into the program or the services of the practitioner or any other party which facilitates patient registration.

The Compliance Manager will review the website on at least a monthly basis to ensure that the website is:

- . Not attractive to persons under twenty-one (21) years of age;
- o Does not promote non-medical use;

- Does not promote activity that is illegal under Rhode Island law;
- Is not contrary to or in direct violation of state or federal consumer protections;
- Does not contain any statements which are deceptive, false or misleading;
- Does not display images or representations of marijuana plants, marijuana or marijuana products;
- Does not display the consumption, use or transfer of marijuana or marijuana products;
- Does not include claims related to potency (beyond listing of cannabinoid content);
- Does not include any prices or the term “sale,” “discount,” “coupon,” “special” or similar terms;
- Does not depict activities or persons in conditions under the influence of marijuana, including but not limited to operating a motorized vehicle, boat or machinery, or persons who are pregnant or breastfeeding;
- Does not contain any content that can reasonably be considered to target individuals under the age of twenty-one (21), including but not limited to images of persons under twenty-one (21) years of age, cartoons, toys or similar images and items typically marketed towards persons under twenty-one (21) years of age or references to products that are commonly associated with persons under twenty-one (21) years of age or marketed to persons under twenty-one (21) years of age;
- Does not contain any imitation of candy advertising;
- Does not include the term “candy” or “candies”;
- Does not encourage the transportation of marijuana or marijuana products across state lines or otherwise encourage illegal activity;
- Does not assert that marijuana or marijuana products are safe because they are regulated by DBR or have been tested by a testing facility or otherwise make claims that any government agency endorses or supports marijuana;
- Does not make claims that marijuana has curative or therapeutic effects;
- Does not contain any health or physical benefit claims; or

- Does not contain material that encourages excessive or rapid consumption.
- Make any other statements which could result in unsafe conditions or public health risks.

Should Pinnacle decide to expand the online marketing, the Compliance Manager must approve any online marketing plan to ensure that all online marketing is targeted solely at medical marijuana patients and individuals over the age of 21, and is in full compliance with Rhode Island law. No marketing plan will be finalized or implemented without the review and final approval by the Compliance Manager.

The Compliance Manager shall immediately make any changes to the website, or other marketing materials, if requested by DBR.

#### Other Communications

The Compliance Manager must ensure that no Pinnacle representative makes any deceptive, false or misleading assertions or statements on any informational material, any sign or any document provided to a patient, registered caregiver or authorized purchaser. In order to ensure compliance, the Compliance Manager will conduct training with all employees on what is considered “false or misleading assertions or statements,” and must give final approval for any Pinnacle written materials, signs, and documents provided to patients.

#### **Patient Notices**

##### Rotating Warnings

The Compliance Manager will ensure that the rotating warnings required under n 230-RICR-80-5-1 § 1.5.6 will be printed on the receipt for every patient purchasing medical marijuana at Pinnacle. The Compliance Manager will monitor the Medical Marijuana Program Bulletins released by DBR to find the schedule for the rotating warnings. The Compliance Manager will coordinate with the Operations Manager to ensure that the correct warnings are printed on the patient receipts on the dates required by DBR. The warnings will be printed in English, in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read, and be printed in text no smaller than size 10 font and bolded on the receipt.

##### No Consumption Signs

The Compliance Manager will ensure that there are signs posted through the Pinnacle premises that inform all persons on the property that no medical marijuana is permitted to be consumed on Pinnacle property.

### New Patient Materials

The Compliance Manager will work with the Patient Outreach and Education Manager to develop (1) a frequently asked questions handout which will explain the limitations on the right to use medical marijuana in Rhode Island and in accordance with Rhode Island law (2) a list of ingestion options for usable marijuana (3) applicable usage techniques and any corresponding safety information to registered qualifying patients and (4) communicating potential side effects of medical marijuana products. The Compliance Manager will work with the Operations Manager to ensure distribution of these materials to all new patients, caregivers and authorized purchasers.

### Ongoing Patient Communication

Pinnacle will disseminate information to Pinnacle patients regarding the RI medical marijuana program at the request of DOH or DBR. The Compliance Manager will verify that the request has legitimately come from either agency prior to sending any communication. The Patient Education & Outreach Manager will also use the patient email list in order to communicate important updates to Pinnacle's educational programming, as well as patient surveys in order to receive important feedback. The Compliance Manager will approve any email communication from the Patient Education & Outreach Manager prior to being sent to patients patronizing Pinnacle.



**CC Exhibit C– Business Plan**

**Pinnacle Compassion Center, Inc.  
Rhode Island Compassion Center Business Plan**



















































































































































































































































## **CC Exhibit E – Operations Manual Required Content**

### **PINNACLE COMPASSION CENTER, INC. COMPASSION CENTER OPERATIONS MANUAL**

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## **Introduction**

The goals of this Operations Manual is the following:

- (a) Guide the Operations Manager in the performance of their duties and training of staff supervised by the Operations Manager;
- (b) Ensure the coordination between the Operations Manager, Compliance Manager, and Finance, Records and Admin Manager;
- (c) Ensure compliance with Rhode Island statutes and regulations.

This document must be read in conjunction with the Security Plan and Compliance Plan.

## **About Pinnacle**

The Board of Pinnacle brings with it significant experience in the Rhode Island medical marijuana industry, insurance, construction, business, non-profits, healthcare and financial compliance. Pinnacle is excited to be able to bring high quality medical marijuana to patients in Rhode Island, ensuring that patient needs are met while dispensing medication in a way that is safe and secure for the surrounding community.

### **Board Experience**

**Michael Biszko Jr.** - President of the Board, Chief Executive Officer (CEO) and Chief Compliance Officer (CCO)

Michael Biszko Jr. is a resident of Tiverton, Rhode Island. Mike has many decades of experience in the construction industry through his family business, Biszko Contracting Corporation, based in Fall River, MA. Biszko Contracting has been in business for almost forty years, and has undertaken many large scale redevelopment and commercial construction projects. Some of the projects that Biszko Contracting Corporation has worked on are large commercial developments in Woonsocket, RI, Providence, RI, Lynn, MA and Fall River, MA and large residential developments in Swansea, Somerset, and Westport, MA.

Michael has fifty years of experience in the construction industry, graduating from Southeastern Massachusetts University in 1970 with a Bachelor of Science in Civil Engineering. Mike is a member of the Registered Professional Engineers and American Association of Civil Engineers. Through Michael's construction experience, Michael has developed high level skills in project management, managing complex budgets, managing staff and contractors, zoning compliance, and statutory and regulatory compliance.

Mike has been involved with many non-profit organizations, both as a board member and as a volunteer, including the Boys & Girls Club, Boy Scouts of America, Forever Paws Animal Shelter, and Catholic Charities Appeal.

**Douglas Guilbert** - Vice President and Chief Operations Officer (COO)

Doug started his professional career in the insurance industry in 2000 as a claims adjuster for Wausau Insurance Company. In 2001, he was an insurance claims adjuster, handling hundreds of fatal World Trade Center claims. In 2004, he started in the field of property and casualty insurance production and currently owns his own Rhode Island based insurance agency, Kingston Insurance Agency LLC. An expert in commercial property and casualty insurance, Mr. Guilbert attained the AAI designation and CPIA designations and is currently licensed with the

state of RI, CT, MA, and NY for Property & Casualty, Life and Health, and previously held his series 6 and 63 securities licenses.

Mr. Guilbert has a longstanding interest in horticulture. He began over 14 years ago by growing fruits and vegetables at his garden in North Smithfield as well as planting 15 different varieties of fruit trees. To overcome the challenges of growing in a New England outdoor environment, he developed and refined techniques using effective microorganisms (EM) for foliar applications, liquid feeding, soil drenches and water treatment. These fully organic methods allowed him to prevent and fight fungus diseases like Powdery Mildew, as well as reducing harmful insect populations. The EM techniques have the added benefit of being easier to produce, store, and apply than alternatives like compost teas. He also utilized beneficial insects and organic repellents to limit the effects of plant eating insects. By utilizing these techniques, he experienced a much higher level of fruit production.

In June of 2014, Mr. Guilbert became a registered medical marijuana patient in Rhode Island, and 2015 he became a registered caregiver. While functioning as a caregiver, Mr. Guilbert provided medical marijuana for patients with severe nausea due to chemotherapy for cancer treatment, patients with multiple sclerosis, and other debilitating conditions. While no longer a patient or caregiver, Mr. Guilbert's experience as a patient means he understands well the importance of the Rhode Island Medical Marijuana program and Compassion Centers to be patient-centered.

Through his experience in both running a Rhode Island medical marijuana business, and through his work in insurance, Mr. Guilbert has a strong focus on regulatory compliance and best practices to ensure safety and delivery of high quality goods and services. Mr. Guilbert previously functioned as the Business Operations Manager for Eden of Rhode Island, LLC, a Rhode Island licensed medical marijuana cultivator, and was involved in the day to day operations since the founding of the Company in 2017 and the receipt of the cultivation license in May 2018. Mr. Guilbert has extensive experience with both using and training others on the Agrisoft seed to sale software, implementing regulatory compliance operations plans, and managing the business end of the medical marijuana operation. Mr. Guilbert is also bringing his expertise to a Fall River, Massachusetts cultivation and dispensary operation for Massachusetts licensed adult use marijuana. For Mr. Guilbert's insurance work, his focus is on working with small to medium sized businesses to identify potential areas of liability, obtain appropriate coverage, and connect businesses with resources in order to minimize potential liabilities.

In addition to his professional responsibilities, Mr. Guilbert has extensive experience serving on non-profit boards and volunteering with community organizations. Doug has served on the board of directors of Prevent Child Abuse RI, has been Chairman of the North Smithfield Pumpkin Festival, Past President of the Smithfield Lions Club, and a member of Kappa Sigma Fraternity.

***Courtney Guilbert*** - Secretary of the Board, Patient Education and Outreach Manager

Courtney Guilbert brings over 20 years of direct patient care experience in a medical setting to the Board. As a licensed Registered Nurse, Courtney's entire professional career has been dedicated to the care and well being of patients in a hospital and clinic setting. For the past 16 years Ms. Guilbert has been employed at Rhode Island Hospital where she has implemented patient care, maintained charts and confidential records, interacted with physicians, medical professionals, patients, and family members with the mission of providing exceptional patient care. Through her work experience, Courtney is well versed in the operations and best practices



of large healthcare facilities, ensuring training and compliance with safety requirements, training and managing staff and contractors in a healthcare setting, and strict compliance with operational plans in a heavily regulated healthcare industry. Courtney brings this patient-centered care to her role on the Board, focusing on Pinnacle providing excellent service to Rhode Island medical marijuana patients. Courtney holds a Bachelors of Science in Nursing from Syracuse University.

***Clay Resnick*** - Treasurer of the Board

Clay is currently the Bank Secrecy Officer and Head of Compliance for Athena Pay, Inc., a CA-based money services business focused on providing financial services to legal cannabis industry participants.

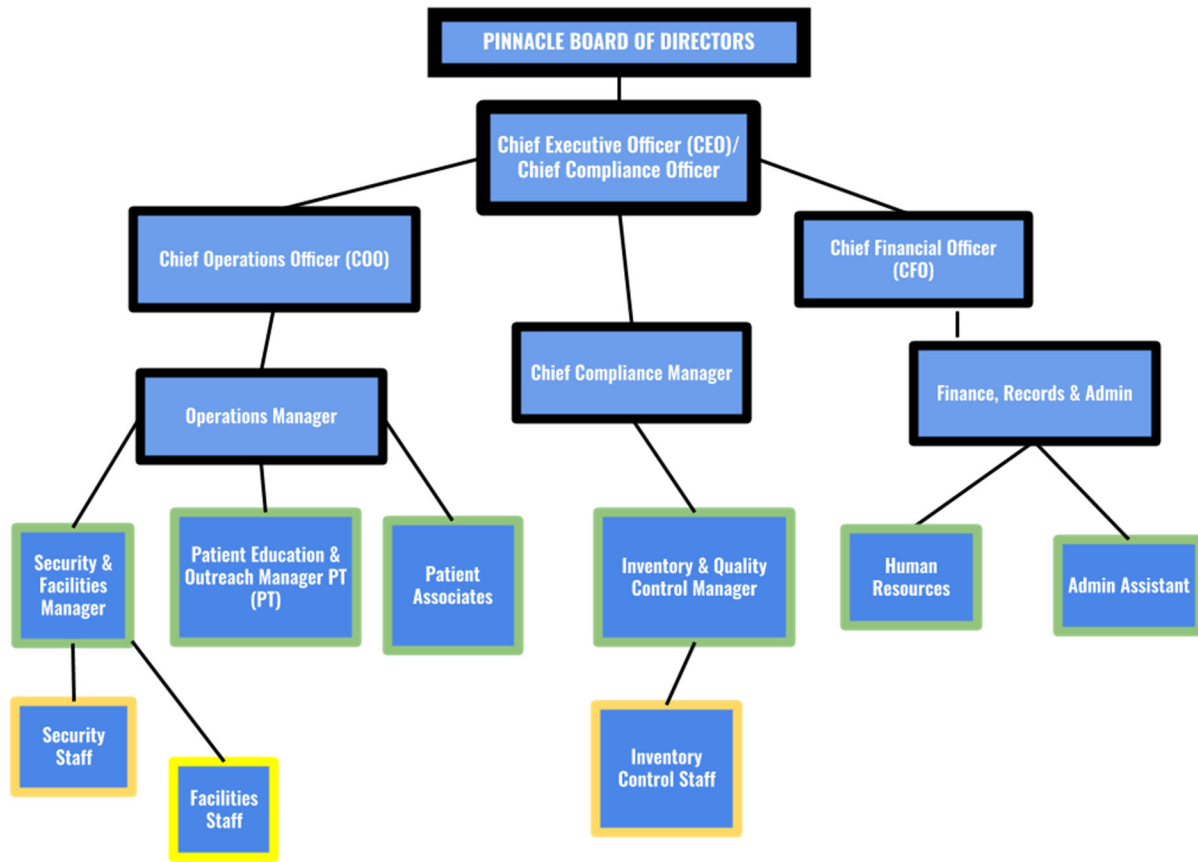
His career has been focused on risk and compliance in both the public and private sectors. He started on this trajectory at the Central Intelligence Agency (CIA), where he served as an expert in transnational issues such as narcotics money laundering, tax havens, and the financing of terrorism. His tenure at CIA included a one-year detail to the FBI's Terror Finance Operations Center in response to a direct Presidential order to improve cooperation and communications between the two organizations.

In 2005 he was approached and hired by Fidelity Investments to lead Fidelity's response to the extensive new requirements of the USA PATRIOT Act. As a consultant or employee, he has brought this expertise to bear at EY, Citizens Bank, and numerous other financial institutions. Clay holds a Master of Arts in International Relations from the Johns Hopkins University School of International Studies (SAIS) and a Bachelor of Arts in History from the University of Pennsylvania.

Clay will bring his focus on financial compliance to the Board of Pinnacle. Clay's experience working within heavily regulated industries will also be a large asset to Pinnacle, in both the financial regulations but also in navigating the heavily regulated medical marijuana industry in Rhode Island. Clay will also be able to bring his experience with financial tracking and oversight to the role of Treasurer of the Board.

**Organizational Chart**

The following chart represents the Pinnacle organizational structure, as well as chain of command. Each line indicates a supervisory role between the person(s) in the role above and the person(s) in the role below.



## Patients

### Patient, Caregiver and Authorized Purchasers

The Chief Compliance Officer will work with the Security Manager, Security Guards, Operations Manager, and Patient Associates to ensure that only the following people are permitted to purchase medical marijuana at Pinnacle:

1. Qualifying medical marijuana patients may be present at the Compassion Center in order to purchase medical marijuana. Patients enter into the Secured Entry, where they check in with reception to ensure that they are a registered medical marijuana patient, and that they possess a valid registry identification card and government issued identification. After verification, patients are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.
2. Out of State medical marijuana patients are permitted on the premises, so long as they have a valid medical marijuana card, or its equivalent, which has been issued by the applicable regulating authority for the medical marijuana program of the issuing U.S. state/jurisdiction/territory. The patient must also possess and present valid government issued identification matching the name on their medical marijuana card. Every out of state patient must complete an intake form which includes the home state card

registration number. If the home state registration card does not include a registration number, the Patient Associate will give the out of state patient a unique identifying number in the Medical Marijuana Tracking System. All transactions of the out of state patients will be tracked by either their out of state registration number, or their number assigned by Pinnacle if there is no out of state number. Every out of state patient will receive a hand out that outlines Rhode Island medical marijuana laws and requirements. This includes the dispensing and possession limits, notice that medical marijuana cannot be taken across state lines, and notice that medical marijuana cannot be smoked in public.

3. Caregivers - Under Rhode Island law, Rhode Island patients can designate “caregivers” who can purchase medical marijuana for the patient. A caregiver must be over 21, can assist up to five Rhode Island medical marijuana patients. The caregiver must still stay in compliance with daily dispensing limits per patient and total possession limits. A Rhode Island Caregiver may enter the Pinnacle premises through the Secured Entry, where they must present their Caregiver Registration Card and their government issued ID. After verification, caregivers are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.
4. Authorized Purchaser - Under Rhode Island law an "authorized purchaser" means a natural person who is at least twenty-one (21) years old and who is registered with the department of health for the purposes of assisting a qualifying patient in purchasing marijuana from a compassion center. An authorized purchaser may assist no more than one patient, and is prohibited from consuming marijuana obtained for the use of the qualifying patient. An authorized purchaser shall be registered with the department of health and shall possess a valid registry identification card. A Rhode Island Authorized Purchaser may enter the Pinnacle premises through the Secured Entry, where they must present their Authorized Purchaser Registration Card and their government issued ID. After verification, authorized purchasers are let into the dispensary floor only when there is a Patient Associate ready to assist them and in compliance with the Patient Associate to Patient ratio policy.

### **Verification of Identification and Patient/Caregiver/Authorized Purchaser Status**

The reception area will have a reader to verify that all government issued identification is valid, and the Security Guard stationed at Reception with a Patient Associate will visually inspect the medical marijuana card and the government issued identification. Both the Security Team and Patient Associate Team will receive extensive training on identifying tampered or counterfeit medical marijuana registration cards and government issued identification.

If at any time a Patient Associate or Security Guard believes that a Rhode Island medical marijuana patient, caregiver, or authorized purchaser card has been tampered with or is a forgery, an out of state medical marijuana card has been tampered with or is a forgery, or a government

issued identification has been tampered with or is counterfeit, the Patient Associate and/or Security Guard will immediately notify the Operations Manager. The Operations Manager will immediately inspect the card(s), and if the Operations Manager confirms the suspected tampering or counterfeit, will initiate a process of verification of the medical marijuana card with the applicable state agency and/or verification of the out of state identification. If the Operations Manager is unable to verify the accuracy and validity of the medical marijuana card, the accuracy and validity of the government issued identification, then no medication will be dispensed to the patient, caregiver, or authorized purchaser. If the Operations Manager has reasonable belief of forgery, the Compliance Manager will contact local law enforcement and DBR. The Operations Manager and Patient Associate will be responsible for logging all potentially tampered or forged medical marijuana cards and/or government issued identification, including the date and time the documents were presented, the specific concerns regarding the documents, copies of the front and back of each document presented to the Patient Associate or Security Guard.

### **Purchase/possession limits**

Ensuring the property dispensing and possession limits for all patients, as well as the proper limits on medical marijuana inventory, is a critical compliance issue.

1. Patient Dispensing Limits - No Pinnacle agent shall dispense more than two and one-half ounces (2.5 oz.) of usable marijuana, or its equivalent, to a qualifying patient directly or through a qualifying patient's primary caregiver or authorized purchaser during a fifteen-day (15) period. Because all medical marijuana dispensed to a patient is tracked in the Medical Marijuana Tracking System, *prior to dispensing any medication the Patient Associate must verify the patient records to ensure that the limits are not exceeded.*
2. Caregivers are only permitted to possess a maximum of 5 oz of usable marijuana, even though they are permitted to be a caregiver for up to 5 patients.
3. Equivalency table - Because patients take their medical marijuana in various forms, DBR has published an equivalency table to ensure that the maximum dispensing amount is not exceeded, regardless of the type of medication purchased. This equivalency table is reflected in the Medical Marijuana Tracking System, and should be posted in the Dispensary Floor so all patients, caregivers, authorized purchasers and Patient Associates understand the possession limits and equivalencies. A “single serving unit” as used in the below table means no more than 10 mg of THC per single serving unit.

Marijuana Flower Weight	Equivalent Number of 10mgs of THC Single Serving Units
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5 ounces	415 THC single serving units
2.5 ounces	125 THC single serving units
1 ounce	83 THC single serving units
.25 ounces	21 THC single serving units
1 gram	3 THC single serving units
Marijuana Flower Weight	Equivalent grams of Concentrate
5 ounces	38.5 grams
2.5 ounces	19.25 grams
1 ounce	7.7 grams
.25 ounces	1.9 grams

1 gram	0.3 grams
Wet Flower Weight	Dry Flower Weight (20% of Wet Flower Weight)
50 ounces	10 ounces
37.5 ounces	7.5 ounces
25 ounces	5 ounces
12.5 ounces	2.5 ounces

The Chief Compliance Office and the Compliance Manager shall monitor all communications from DBR and DOH to ensure that if there are any updates to the equivalency chart, they are reflected in this plan and in all postings within the Compassion Center.

### **Health Information Confidentiality**

All Pinnacle staff shall receive training on patient privacy, personal data, and patient confidentiality. Pursuant to Rhode Island law, patient information and personal data is considered HIPAA protected information.

The following shall be considered confidential patient information:

- Health information such as
  - Status as medical marijuana patient
  - Any information on health conditions
- When paired with any of the following information

- Name
- Address
- Social Security
- Patient ID number
- Government issued ID number
- Phone number
- Any other identifying information which may connect the health and/or patient status with the individual patient

### **Patient Confidentiality Policy**

*The following policy shall be provided to all Compassion Center patients, and reviewed carefully with all staff and agents through the confidentiality training.*

#### **Pinnacle Compassion Center, Inc.**

#### **Patient Confidentiality Policy**

1. **WHAT HEALTH INFORMATION IS PROTECTED.** We are committed to protecting the privacy of information we gather about you while providing health-related services. Some examples of protected health information include information indicating that you are a medical marijuana patient, information about your health condition, each when combined with identifying information, such as your name, address, social security number, patient ID number, government issued ID number, phone number, or other identifying information which may connect your patient status, health condition and personal identity.
2. **REQUIRED DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION.** In certain circumstances, we are required to disclose your protected health information.
  - a. *Disclosures to You.* We are required to disclose your protected health information to you, or your personal representative upon your request. A personal representative is an individual who has been designated by you and who has qualified for such designation in accordance with relevant law (and provides adequate documentation).
  - b. *Disclosures for HIPAA compliance.* We may be required to disclose your protected health information to determine our compliance with the Health Insurance Portability and Accountability Act (HIPAA), a federal privacy law.
3. **HOW WE MAY USE AND DISCLOSE YOUR HEALTH INFORMATION WITHOUT YOUR WRITTEN AUTHORIZATION.** There are some situations when we do not need your written authorization before using your health information or disclosing it to others, including:
  - a. We may use your health information or disclose it to others in order to conduct our business operations. For example, we may use your health information to evaluate the performance of our staff in servicing you, or to educate our staff on how to improve the services they provide for you.

- b. We may disclose your health information to contractors, agents and other “business associates” who need the information in order to assist us with carrying out our business operations. For example, we may disclose your health information to an accounting firm or law firm that provides professional advice to us. If we do disclose your health information to a business associate, we will have a written contract to ensure that our business associate also protects the privacy of your health information. If our business associate discloses your health information to a subcontractor or vendor, the business associate is required to have a written contract to ensure that the subcontractor or vendor also protects the privacy of the information.
- c. We may use or disclose your health information if we are required by law to do so, and we will notify you of these uses and disclosures if notice is required by law. We may release your health information to government agencies authorized to conduct audits, investigations, and inspections. These disclosures shall be in compliance with government regulatory programs and civil rights laws.
- d. We may disclose your health information if we are ordered to do so by a court or administrative tribunal that is handling a lawsuit or other dispute. We may also disclose your information in response to a subpoena, discovery request, or other lawful request by someone else involved in the dispute, but only if required judicial or other approval or necessary authorization is obtained.
- e. We may use your health information or disclose it to others when necessary to prevent a serious and imminent threat to your health or safety, or the health or safety of another person or the public. In such cases, we will disclose your information only to someone able to help prevent the threat. We may also disclose your health information to law enforcement officers if you tell us that you participated in a violent crime that may have caused serious physical harm to another person (unless you admitted that fact while in counseling), or if we determine that you escaped from lawful custody (such as a prison or mental health institution).
- f. We may use and disclose your health information if we have removed any information that has the potential to identify you so that the health information is “de-identified.” We may also use and disclose health information about you that constitutes a “limited data set” if the person who will receive the information signs an agreement to protect the privacy of the information as required by federal and state law. A limited data set will not contain any information that would directly identify you (such as your name, street address, social security number, phone number, fax number, electronic mail address, website address, or license number).
- g. While we will take reasonable steps to safeguard the privacy of your health information, certain disclosures of your health information may occur during or as an unavoidable result of our otherwise permissible uses or disclosures of your health information. For example, during the course of an appointment, other patients or clients in the area may see, or overhear discussion of, your health information.



4. **CHANGES TO THIS NOTICE.** We reserve the right to change this notice at any time and to make the revised or changed notice effective in the future. We will make the revised notice available on our website and notify you of any material changes to the notice.
5. **REQUIREMENT FOR WRITTEN AUTHORIZATION.** For purposes other than those described above, generally, we will obtain your written authorization before using your health information or disclosing it to others outside of Pinnacle Compassion Center, Inc.
6. **YOUR RIGHTS TO ACCESS AND CONTROL YOUR HEALTH INFORMATION.**  
*You have the following rights to access and control your health information:*
  - a. **Right To An Accounting Of Disclosures.** You have a right to request an “accounting of disclosures,” which is a list with information about how we have disclosed your health information to others within the past 6 years. We are not required to provide you with accounting of disclosures (1) for purposes of payment or operations, (2) made to you or your personal representative, (3) made pursuant to your authorization, (4) made to family involved in your care in the presence of an emergency, (5) for national security or intelligence purposes, and (6) as part of a limited data set. To obtain a request form for an accounting of disclosures, please write to the Compliance Manager at the address given above. You have a right to receive one list every 12-month period for free. However, we may charge you for the cost of providing any additional lists in that same 12-month period.
  - b. **Right To Receive Notification Of A Breach.** You have the right to be notified if there is a compromise of your unsecured protected health information within sixty (60) days of the discovery of the breach. The notice will include a description of what happened, including the date, the type of information involved in the breach, steps you should take to protect yourself from potential harm, a brief description of the investigation into the breach, mitigation of harm to you and protection against further breaches and contact procedures to answer your questions.
  - c. **Right To Request Restrictions.** You have the right to request that we further restrict the way we use and disclose your health information to treat your condition, collect payment for that treatment, run our normal business operations or disclose information about you to family or friends involved in your care. The request for restriction will only be applicable to that particular service. You will have to request a restriction for each service thereafter. To request restrictions, please write to the Privacy Officer at the address given above. We are not required to agree to your request for a restriction, and in some cases the restriction you request may not be permitted under law. However, if we do agree, we will be bound by our agreement unless the information is needed to provide you with emergency treatment or comply with the law. Once we have agreed to a restriction, you have the right to revoke the restriction at any time. Under some circumstances, we will also have the right to revoke the restriction as long as we notify you before doing so.

- d. Right To Have Someone Act On Your Behalf. You have the right to name a personal representative who may act on your behalf to control the privacy of your health information. Parents and guardians will generally have the right to control the privacy of health information about minors unless the minors are permitted by law to act on their own behalf. We may elect not to treat the person as your personal representative if there is a reasonable belief that you have been, or may be; subjected to abuse, violence, or neglect by such person or that treating such person as your personal representative could endanger you. Furthermore, we may determine, in the exercise of professional judgment, that it is not in your best interest to treat the person as your personal representative.
- e. Right To Obtain A Copy Of Notices. If you are receiving this notice electronically, you have the right to a paper copy of this notice.
- f. Right To File A Complaint. If you believe your privacy rights have been violated, you may file a complaint with us by calling the Privacy Officer at Pinnacle. We will not withhold services or take action against you for filing a complaint.

#### PATIENT ACKNOWLEDGMENT

*By signing below, I acknowledge that I have been provided a copy of this Notice of Privacy Practices and have therefore been advised of how health information about me may be used and disclosed by the Pinnacle Compassion Center, Inc.*

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Signature of Patient or Personal Representative

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Print Name of Patient or Personal Representative

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Date

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Description of Personal Representative's Authority

#### **Entry Level and Management Engagement with Confidential Information**

Unless required or authorized by law (such as communications with DBR), an entry level employee should never divulge any confidential patient information to anyone outside of Pinnacle. Entry level employees may divulge confidential non-health related information to other Pinnacle staff or agents, but only if divulging the information is essential to the performance of the receiving party's job duties (ex: information which may be required for a shift change to ensure continuity and security).

Unless required or authorized by law, only Management is permitted to authorize the release of patient data or confidential information to a third party.

### **Protection of Patient Data**

Pinnacle will engage with a data security consultant in order to ensure that all patient data is maintained in the most secure manner possible, and that only those staff required to access the information in order to perform their jobs may access.

All patient data and confidential health information will be stored in the Security Room, as will all servers containing electronically stored information. The Security Room access is restricted to Management, and is closely monitored by security cameras and access cards which indicate every Manager which has entered or exited the room.

### **Patient Education, Counseling and Outreach**

The Compliance Manager will work with the Patient Outreach and Education Manager to develop (1) a frequently asked questions handout which will explain the limitations on the right to use medical marijuana in Rhode Island and in accordance with Rhode Island law (2) a list of ingestion options for usable marijuana (3) applicable usage techniques and any corresponding safety information to registered qualifying patients and (4) communicating potential side effects of medical marijuana products. The Compliance Manager will work with the Operations Manager to ensure distribution of these materials to all new patients, caregivers and authorized purchasers. Every new patient, caregiver and authorized purchaser at Pinnacle will sign a document confirming receipt of the FAQ, which will be kept on file in accordance with the Pinnacle document retention policy.

The Patient Education and Outreach Manager will offer off-site educational events for patients, caregivers and authorized purchasers. These programs will be free to all qualified to attend. The educational services will focus on safety, compliance with state law, potential side effects, and other topics which may be identified through the patient surveys. The educational services will in no way advocate for anyone to become a medical marijuana patient, and will not partner in any way with a medical provider writing medical marijuana certifications for patients.

Patient Outreach and Education Manager develop resource guides for the patient populations which Pinnacle seeks to prioritize support, as well as any additional resources requested by patients or identified by Pinnacle staff. The resources guides will include information and contact info for private and government agencies, or other resources, which may be able to support the patient's needs. For example, the guides may include information on discounts for public transportation, cancer support groups, or lists of local food pantries. The Patient Outreach and Education Manager will also post and update information in the reception area which may help connect patients to additional resources. All Pinnacle staff will be trained in what is included in the guides, and how to make sure patients know how to access them.

## **Patient Complaints and Feedback**

The Patient Outreach and Education Manager will work with the Patient Associates to maintain an anonymous hotline for patients to give feedback or file complaints, as well as a regularly scheduled anonymous survey of patients, caregivers and authorized purchasers frequenting Pinnacle. The goal of these two sources of feedback is to identify additional areas where Pinnacle should offer training, support or outreach.

All Pinnacle staff and agents will be trained to be receptive to feedback from patients, and to communicate the feedback to Management. All staff and agents will have access to a “feedback form” which they will be required to fill out any time they verbally receive any feedback from a patient, caregiver or authorized purchaser.

The administrative team will be responsible for compiling all results from the anonymous patient hotline, feedback forms, and the survey, and identifying trends or ongoing issues in the form of a report. The Managers will meet on a monthly basis to review the reports, and identify potential solutions and/or next steps. If the changes are within the scope of the Managers to implement the changes within their departments, they should do so. If it requires a variance or substantive change to Pinnacle policies or procedures, the Compliance Manager must review and determine the best course of action. The CCO/CEO may approve requesting a variance application to DBR.

## **Whistleblower Policy**

### **PINNACLE COMPASSION CENTER, INC. WHISTLEBLOWER POLICY**

#### **I. EXPECTATION**

Pinnacle Compassion Center, Inc. expects directors, officers, agents and employees to observe high ethical standards in carrying out their responsibilities and to comply with all applicable laws and regulations.

#### **II. OPEN DOOR POLICY**

If any director, officer, agent or employee has complaints, concerns, or questions as to the ethics or legality of a particular action taken by another director, officer or employee, he/she is encouraged to raise such complaints, concerns or questions with the relevant individual. With respect to directors, the relevant individual is the president of the board of directors or any other director. With respect to officers, agents and employees, the relevant individual is the Chief Executive Officer, if there is one in office, and if not, any member of the board. In the event the director, officer or employee believes there may have been a legal transgression, and that it is not reasonable to raise the issue with a board member or the Chief Executive Officer, he/she should contact an outside attorney. Anyone filing a complaint concerning a violation or suspected violation of a law, regulation or ethical requirement must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Individuals making baseless or malicious accusations will be disciplined up to and including termination.

### III. REQUIREMENT OF INVESTIGATION

Within a reasonable time of receiving a complaint, concern or question regarding compliance with a law, regulation or ethics requirement, the Chief Executive Officer and/or board member shall open an investigation into the matter and pursue it to resolution. Should the Chief Executive Officer or board member find that a law, regulation or ethics requirement has been violated, appropriate action should be taken.

### IV. CONFIDENTIALITY

To the degree possible, the names of the individuals reporting under this Whistleblower Policy shall be kept confidential.

### V. PROTECTION FROM RETALIATORY ACTION

Neither the Corporation nor its directors, officers, or employees may take any negative employment or other retaliatory action against any director, officer or employee who in good faith reports a violation of a law or regulatory requirement. A director, officer, or employee who retaliates against someone who has reported a violation in good faith is subject to discipline including, but not limited to, termination of employment.

### VI. GENERAL POLICY

This general policy is not a contract and it may be rescinded or amended at any time by the Corporation. It is not intended to and does not create any legally enforceable rights whatsoever for any employee.

## **Products**

### **Consistent Inventory**

It is the responsibility of the Chief Compliance Officer, the Compliance Manager and the Inventory & Quality Control Manager to ensure that the Pinnacle Compassion Center does not have more inventory than is necessary to meet the projected needs of the patients Pinnacle is serving. In order to do this, the Inventory Manager will create monthly reports of inventory on hand and patient sales. The reports will break down sales and inventory based on each product type. This will allow the Compliance Manager and Inventory Manager to review the reports, update forecasts for inventory needs, and adjust purchase orders from cultivators.

In order to both ensure that Pinnacle will not exceed the projected needs of patients, and that Pinnacle has a consistent supply of needed medication, Pinnacle will have no more than a 2 week projected supply of any product on hand at any time. The actual amount on hand may be adjusted by the Inventory Manager based on the popularity of the product, the availability of the product, the shelf stability of the product, and other factors as the Inventory and Compliance Managers determine. This may mean that certain products have a lower inventory maximum. The inventory

maximum information will be tracked by the Inventory Manager, and will inform the Inventory Manager's ordering and recommendations on the monthly inventory reports.

The Chief Compliance Officer will review the monthly inventory and sales reports, as well as the recommendations included from the Inventory and Compliance Managers, and will either amend the recommendations or sign off on the recommendations. This finalized report will then be used by the Inventory Manager to adjust future product orders for the coming month.

In order to ensure a consistent supply of medical marijuana for patients, the Inventory Manager will work closely with the Rhode Island licensed cultivators to both provide forecasted needs of Pinnacle, and to understand the forecasted inventory of RI cultivators Pinnacle is working with. The Inventory should provide and request forecasts at least every 2 weeks. Should any RI cultivator indicate that there may be a shortage of a type of product which Pinnacle patients depend on, the Inventory Manager will immediately reach out to other RI licensed cultivators in order to source an alternative.

If the variance is granted to Pinnacle, Pinnacle will be able to ensure that there are no gaps in product supplies for patients patronizing Pinnacle, by adjusting the cultivation and manufacturing plan.

### **Types Offered**

Unless the requested variance is granted, Pinnacle will not cultivate, manufacture, or package any medical marijuana products sold at the Compassion Center. Pinnacle will rely on formal written agreements with high quality RI licensed cultivators to supply all products to Pinnacle.

The Inventory Manager will be responsible for developing relationships with RI licensed cultivators, keeping up to date on the availability of products, negotiating formal written agreements, submitting purchase orders, overseeing receipt of products, product compliance audits, soliciting feedback (with the Patient Education and Outreach and Patient Associates) from patients on desired products, and staying up to date on industry developments in products.

Pinnacle will ensure that all products offered for purchase at Pinnacle are compliant with RI statutes, regulations, and guidance issued by DBR and DOH through strong written contracts with RI licensed cultivators, review of products and packaging via photographs and emailed descriptions requiring pre-approval before any products are shipped to Pinnacle, and through monthly compliance audits performed by the Compliance Manager and Inventory & Quality Control Manager.

The medical marijuana products offered at Pinnacle may change over time as Pinnacle evaluates the needs for patients, availability from cultivators, and the list of products approved by DBR. At a minimum, Pinnacle will offer:

- Medical marijuana flower of various levels of THC and CBD
- Pre-rolls

- Concentrates in capsule and liquid form
- Vaporizer cartridges
- Rosin
- Hash
- Edibles in both solid and liquid form
- Topicals

At no time will any tobacco products be sold at Pinnacle.

### **Pricing**

Pinnacle will work hard to balance keeping medical marijuana products affordable for patients, ensuring that there are multiple price points for each type of product offered, and ensuring that Pinnacle is generating sufficient revenue to support full staffing and enable financial stability.

The Inventory Manager will be responsible for sourcing all products. For each type of product, the Inventory Manager will strive to identify a low, medium and high price point product. Pricing will primarily be set by wholesale pricing, as is common for most retail. Pinnacle estimates that there will be approximately a 40-50% mark up in pricing from the wholesale price paid by Pinnacle for flower, edibles, concentrates, and topicals, and an approximate 30% mark up in pricing from the wholesale cost of accessories. This pricing strategy is in line with medical marijuana industry averages, and allows for sufficient revenue to meet overhead.

The Inventory Manager will conduct a pricing analysis on at least a quarterly basis to determine whether Pinnacle's pricing is in line with other Compassion Centers in Rhode Island. The Patient Education and Outreach Manager will solicit feedback from patients on issues of affordability and pricing, and will prepare a report to the Inventory Manager making any recommendations on pricing adjustments.

The Pinnacle Inventory Manager will determine the pricing tiers for all products, utilizing the following factors:

1. Wholesale pricing from the cultivator for the product.
2. Comparable pricing for similar products from other cultivators. This will be evaluated by looking at the THC content, CBD content, and terpene profile of the product.
3. Whether any non-cannabis ingredients included in the product are unique, or may cost more to source (ex: an edible made with organic or fair trade non-cannabis ingredients).
4. The uniqueness of the product (reminder: all products offered by Pinnacle must be on the pre-approved list from DBR).
5. The availability of the product - is it a commonly available product, or a one time special offering?

The Inventory Manager will strive to source a low, medium and high price point product for each type of product which Pinnacle offers in order to best meet the needs of all Pinnacle patients. For example, the Inventory Manager will source at least one low, medium and high price point topical.

### **Antitrust & Pricing**

It is the policy of Pinnacle Compassion Center, Inc. the ("*Corporation*") to comply fully with all federal and state antitrust laws, which prohibit companies from working together to restrict competition. It is also the policy of the Corporation that it and its directors and officers are informed about antitrust laws and recognize possible antitrust issues or questions.

It is legal for competitors within the medical use of marijuana industry to work together, unless such work unlawfully restricts competition within the industry. Although the Corporation's activities generally do not present antitrust issues, to ensure against inadvertent violations of federal and state antitrust laws, directors, except to insure that the prices are reasonable and affordable for the Corporation's patients, and to prevent diversion for non-medical purposes, directors, officers and employees shall not discuss with competitors the following: increasing, decreasing, or stabilizing prices for medical marijuana or related products and services; and establishing market monopolies for products or services.

Furthermore, directors, officers, and employees shall not engage in any actions in the context of the Pinnacle's activities which appear to be anti-competitive in purpose or inconsistent with this policy. Any questions regarding antitrust issues and the Corporation's activities shall be directed to the President and referred to counsel if deemed necessary.

Pursuant to Rhode Island law, no executive, member, director or any entity owned or controlled by such executive, member or director may directly or indirectly control any other licensed marijuana entity in the State of Rhode Island.

### **Discounts**

Pinnacle is able to offer a 10% discount for veterans and low income patients in order to increase access to medical marijuana for these patients, although no advertising or marketing of Pinnacle will reference any discounts.

### **Purchase of Medical Marijuana Products from Cultivators**

The Inventory & Quality Control Manager ("Inventory Manager") will be responsible for all orders placed for medical marijuana products. Products will only be sourced from Rhode Island licensed cultivators. In accordance with Rhode Island law, the Inventory Manager will enter into a formal agreement with the RI licensed cultivator. The formal agreement must contain the following provisions:



1. All products sold by the cultivator to Pinnacle will be in compliance with RI law;
2. The cultivator is responsible for testing at a DOH licensed lab, and compliant Certificates of Analysis (COA) must be provided electronically prior to the delivery of any product to the Compassion Center;
3. Pinnacle will contract with the cultivator to label all packages. All labels will be in compliance with RI law, and will be applied by the cultivator, including the labeling identifying Pinnacle as the Compassion Center where the product is sold;
4. The cultivator will only offer DBR approved products for sale to Pinnacle;
5. All products will be in compliance with RI laws regarding shapes, flavoring, imprinting of symbols, THC content, and additional ingredients;
6. All products will be in compliance with RI laws, as well as any state and federal laws incorporated by reference in the RI regulations, regarding manufacturing, including prohibited ingredients, solvents, and practices;
7. All products will in be in compliance with RI laws, as well as any state and federal laws incorporated by reference in the RI regulations, in regards to the use of pesticides;
8. All pesticides used in the cultivation of the medical marijuana are disclosed directly to Pinnacle to ensure pesticide compliance, regardless of the end form which the product takes (edible, flower, topical, etc.);
9. All packaging provided by the cultivator will be compliant with Rhode Island law;
10. The cultivator has developed the insert in compliance with RI law, and the cultivator will send a copy of the required insert which will be inside each product for Pinnacle's review;
11. If the product contains the cultivator's logo, the logo has been approved by DBR and is applied in compliance with RI labeling requirements;
12. If the cultivator will be applying the Pinnacle logo to the packaging, the cultivator will do so in a way that is compliant with RI labeling requirements;
13. The cultivator will not make any health claims on the packaging, including but not limited to health or physical benefit claims on labels or packaging;
14. The cultivator will be responsible for delivery of the products to Pinnacle, and delivery practices and procedures will be in full compliance with Rhode Island law;

15. Deliveries will only be accepted at Pinnacle at pre-arranged mutually agreed upon delivery times--any delivery from a cultivator which is more than 30 minutes early or late will be rejected by Pinnacle;
16. For smokable and vappable forms, no flavoring or coloring has been added except for flavors or coloring that are derived solely from cannabis and have been procured in accordance with applicable Rhode Island laws;
17. The cultivator must send a photograph of exterior packaging, labeling, product shapes, and (if applicable) product imprinting for approval by the Compliance Manager and/or Inventory Manager prior to delivery of the product to Pinnacle;
18. If any medical marijuana products sold by the cultivator to Pinnacle are defective in any way, including out of compliance with Rhode Island law, the cultivator will work cooperatively with Pinnacle to address the defects, which may include informing DBR of the defect and the corrective action plan (if applicable);
19. The cultivator's license is current with DBR, and there have been no notifications from DBR which could impact the validity of the cultivator's license;
20. Date of execution/placement of the contract/purchase order;
21. Description and amount of product to be sold and/or services to be provided;
22. The total price and per unit price of the product to be sold and/or services to be provided;
23. The specific date or date range not spanning more than thirty (30) calendar days for fulfillment of the order, performance of the services, and delivery or pickup;
24. The payment due date, as specifically agreed between the parties, but if no date is specifically agreed to, payment shall be made within thirty (30) calendar days of delivery or pickup; and
25. Contracts/purchase orders may not be modified but may be cancelled or voided by the creation of a new replacement contract/purchase order.

#### Process for Placing Order

All orders placed by the Inventory Manager must be placed in writing in a Purchase Order sent to the licensed cultivator. The order must be confirmed by the cultivator in writing. When the order is ready, the cultivator must send a photo to the Inventory Manager which includes the exterior packaging, insert, labeling, product shape, and (if applicable) product imprinting, as well as a description of the full product ingredients. The cultivator must also send the COA from the DOH licensed laboratory, showing compliance with current DBR and DOH testing and product requirements. The Inventory Manager must review all of this information for each batch of

products, and confirm compliance with all applicable laws prior to a shipment being scheduled. Once the Inventory Manager has reviewed all details for the shipment, the Inventory Manager will confirm the delivery date and time with the cultivator.

The Inventory Manager will compile monthly order reports for the Compliance Manager, which will include the photos, information and reports sent by the cultivators for each batch of products. The report will also include the purchase order, all communications between the Inventory Manager and the cultivator, the delivery date, and the result of inspection of the products following receipt. The Compliance Manager will review the monthly order reports, identify any potential compliance issues, and immediately address or correct any issues.

### Delivery

After a delivery has been scheduled, upon arrival of the cultivator delivery at Pinnacle, a member of the Inventory Control team will confirm receipt of the product(s) in the presence of the authorized transport cardholder, and initial each line item on the cultivator's manifest and the receiving licensee's manifest. The Pinnacle Inventory Control team member will then immediately re-weigh, re-inventory, and account for all marijuana and marijuana products transported. In addition, the member of the Inventory Control team must spot check the products to ensure compliance with all product requirements - labeling, packaging, etc. If all records match and the spot check does not result in any non-compliant product being identified, the products will be immediately entered into Pinnacle's Medical Marijuana Tracking system by the Inventory Control team. The entries will include the unique identifier, product name and quantity, with the applicable detailed transport manifest.

The delivery, confirmation of receipt, inventory, weighing, and entry of the products into the Tracking System will all take place in the receiving area, and will be in full view of the Pinnacle security camera system. Following the receiving process, all products must immediately be moved to the Vault.

If the Inventory Control team member detects any discrepancies, they must immediately notify the Inventory Manager and Compliance Manager. The Inventory Manager or Compliance Manager must immediately review the discrepancy, and no products will be entered into the Pinnacle Tracking System. The Inventory Manager or Compliance Manager will immediately call DBR and local law enforcement to report the discrepancy, and take any action requested of Pinnacle by DBR and law enforcement. Any products or deliveries subject to a discrepancy must be transported to the vault by the Inventory Manager or Compliance Manager, within full view of the Pinnacle video security cameras, and must be stored within the vault until Pinnacle receives instruction from DBR or local law enforcement on how to proceed.

### Cultivator Information

The Inventory Manager will maintain a list of all cultivators which Pinnacle purchases products from. Included in the list will be the contact information for ordering, the contact information of the Chief Compliance Officer, the license number of the cultivator's DBR issued license, and the expiration date of the cultivator's DBR issued license. It will be the Inventory Manager's

responsibility to obtain an updated copy of the cultivator's license upon renewal to ensure that no products are purchased from unlicensed suppliers.

### Product Compliance Audits

Pinnacle will not be cultivating medical marijuana, manufacturing products (unless Pinnacle's cultivation variance is approved), or packaging and labeling products, but instead will be contracting with licensed cultivators to provide all retail ready medical marijuana products. Because of this, Pinnacle will require that the cultivators supplying products to Pinnacle are producing and providing fully compliant products. In order to ensure that Pinnacle is not ever engaged in the sale of products which are not compliant with Rhode Island medical marijuana law, the Inventory Manager and Compliance Manager will oversee and conduct a monthly audit of all products being sold at Pinnacle.

The audit will include:

1. Verification that all products are DBR approved medical marijuana products;
2. Verification that manufacturing methods used by cultivators providing products to Pinnacle using a solvent extraction process are approved by DBR;
3. Verification of all COA results from a DOH licensed cannabis testing lab;
4. All appropriate warning labels are applied on the exterior of all products. The audit must include confirmation that all warnings are in English, are in Times New Roman, Calibri, Arial, Helvetica or any other font that can be easily read, the text is no smaller than 8 point font and bolder, the warnings are not covered or obscured, the warnings are in a bright yellow box, the text of the warnings are the exact language as approved by RI law and DBR, and that all the applicable warnings are applied to the type of product (ex: vaping warnings are on all vaping products, infused warnings are on all infused products, topical warnings are on all topicals, etc.).
5. Any unauthorized health claims or claims that the product will cure, prevent or treat any health condition, located on the product or on the packaging;
6. All labels meet labeling requirements, including font size and type, color language, no obstruction of labels, the business or trade name and license number of the cultivator, Pinnacle's name and license number, the Medical Marijuana Tracking System unique number, the total THC and CBD (as confirmed by the DOH licensed lab COA), universal warning symbol in the appropriate location and of the appropriate size, a use by or expiration date (if applicable), vape cartridge symbol (if applicable), Poison Control information, and for smokeable and vappable products the net weight of the product prior to placement in the package.
7. For all medical marijuana infused products, verification that the packaging has the total contents of THC and CBD must be stated per serving unit in milligrams (mgs), and in

font larger than size 6, bolded, underlined and in red, the serving size, and the number of servings per package.

8. Verification that every package has an insert which includes the complete list of the following information. Because Pinnacle cannot open any packaging, the Inventory Manager will re-review the insert images sent by the cultivator, and contained within each order report.
  - a. A complete list of all nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation and production of the medical marijuana product;
  - b. For medical marijuana infused products, the net weight of the medical marijuana or medical marijuana product prior to its placement in a package, using a standard of measure compatible with the tracking system;
  - c. For medical marijuana products consisting in whole or in part of marijuana flower or marijuana trim, the date of the harvest batch;
  - d. For marijuana products including concentrates and marijuana infused products that were manufactured, the date on which the manufacturing batch was created;
  - e. For processed medical marijuana products, the processing technique or solvent(s) used to produce the product;
  - f. For processed medical marijuana products, a list of all chemicals, diluents, additives, ingredients and/or excipients used to produce the medical marijuana product or that were added to the medical marijuana product;
  - g. For medical marijuana infused products, a list of all ingredients used to manufacture the marijuana infused product, including identification of any major allergens contained in the product in accordance with the Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010), specifically milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat and soybeans;
  - h. For medical marijuana edibles and ingestibles, a nutritional fact panel in accordance with 21 C.F.R. Part 101, incorporated above at § 1.1.7(B) of this Part;
  - i. For medical marijuana topicals, a list of all ingredients in descending order of predominance by weight or volume as applicable; and
  - j. For medical marijuana topicals, the amount recommended for use at any one time.
9. Any pesticides used in the cultivation process are those approved by RI law and DBR, and any statutes and regulations incorporated by reference into RI law.

10. For smokable and vappable forms, no flavoring or coloring has been added except for flavors or coloring that are derived solely from cannabis and have been procured in accordance with applicable Rhode Island laws;
11. All packaging meets the requirements for child-resistant packaging as defined by RI law, and any other laws incorporated by reference.
12. All products are in compliance with the packaging requirements specific to that type of product - liquid edibles, ingestibles, concentrates, etc.
13. A single serving of any medical marijuana product does not exceed ten (10) milligrams of active THC, no package exceeds 100mg of active THC, and no bundled package exceeds maximum patient possession limits (including the equivalency as determined by the equivalency chart).
14. For concentrates, all cartridges have received a consumer testing certificate, all electronic vaporization devices have internal or external temperature controls and have a heating element made of inert material, and the total THC per package is not more than 500mgs of active THC.
15. Verification that all edibles have the appropriate symbol on each serving unit, and in accordance with regulations. Because no products can be opened by Pinnacle, the Inventory Manager will review the photos from batches sent by cultivators who have supplied products to Pinnacle.
16. Confirmation that no products are in the shape of a human, animal, fruit, cartoon character or shape which may be attractive to children, resemblance to any existing branded consumer products, including foods and beverages that do not contain marijuana, be in the shape of a marijuana plant or leaf, or cause a reasonable consumer confusion as to whether the medical marijuana product is a trademarked product. This verification shall be done through review of product photos, as well as inspection of exterior packaging.
17. That no logo on the packaging is in violation of RI law, and the logo size and placement meets all RI requirements.

Upon the completion of the monthly audit, the Inventory Manager and Compliance Manager will produce a full report on the compliance of all products being sold at Pinnacle. Should any products be found to be out of compliance, they will be immediately pulled from being offered for sale. The Compliance Manager will reach out to the Chief Compliance Officer of the cultivator which supplied the products within 1 business day of the discovery of any non-compliant products. If the products may be made compliant by corrections to labeling, inserts, or other items which do not require Pinnacle to open any packaging containing medical marijuana, Pinnacle will work with the cultivator to bring the products into compliance. If the products may not be made compliant by Pinnacle, either because the packaging must be opened, or the products themselves are out of compliance, the Compliance Manager will seek guidance from

DBR as to how to handle the non-compliant products, as Pinnacle is not permitted to transport medical marijuana products back to the cultivator. The Compliance Manager will comply with all guidance and requirements from DBR on how to address the non-compliant products, including quarantine and destruction of product if required by DBR.

#### Product Complaint by Patients

Should any patient raise any concerns regarding product quality, packaging, ingredients, or anything else which may implicate a violation of Rhode Island laws regarding medical marijuana products, the issue will immediately be logged by the Patient Associate and reported to the Compliance Manager. The Patient Associate must attempt to capture the name of the product, the date the patient purchased the product (if known by the patient), and the nature of the issue. The Compliance Manager and Inventory Manager will immediately investigate the complaint, and make the cultivator aware of the complaint so that they may be able to investigate any compliance issues. If the Compliance Manager believes the issues to be impacting either already sold products or existing inventory, and the issue means that the product is potentially out of compliance with Rhode Island regulations, then the Compliance Manager will immediately inform the CCO, and contact DBR in order to be advised on how to address the issue. The Compliance Manager will be tasked with carrying out any next steps as required by DBR.

#### Recalls

Recalls may occur for the following reasons:

1. A communication from DBR and/or DOH requiring a recall;
2. A communication from a cultivator requesting a voluntary recall;
3. A Pinnacle staff member notices an issue with a product or batch of products which requires a recall - including contamination, defective products or packaging, or products out of compliance with RI law;
4. A patient returns a product to Pinnacle because of a defect, and upon further investigation by the Compliance Manager, it is determined that the defect impacts more than just the individual product.

The Compliance Manager should immediately notify DBR if any product issues are found at Pinnacle, or if Pinnacle is informed of a product issue by a cultivator. The Compliance Manager will immediately work with the Inventory Manager and Operations Manager to perform the following:

- (1) All inventory impacted by the recall will be immediately pulled from the products being offered for sale by Pinnacle to patients.
- (2) All inventory impacted by the recall will be segregated within the vault into a container labeled "RECALLED" in red point 40 font on all sides of the container.
- (3) Pinnacle will send an email to all patients who have purchased the product informing them of the recall, the reason for the recall, and the recommendation on what to do if a patient still possesses any of the recalled product (as advised by DBR). Based on DBR's

guidance, Pinnacle may instruct patients possessing the recalled product to return the product to Pinnacle for destruction.

- (4) The Operations Manager will ensure that a sign is posted at the Point of Sale alerting the patients that the product has been recalled, and instructions on what to do if a patient still possesses any of the recalled product.
- (5) The Operations Manager will ensure that all Patient Associates are informed of the product recalled, the reason for the recall, how to inform the patients about the recall, instructions for what patients should do if they still have the recalled product, and what Patient Associates should do if a patient arrives at Pinnacle with the recalled product.
- (6) If DBR informs Pinnacle to destroy the recalled product, the Compliance Manager will oversee the destruction of the recalled product and the input of any destroyed products into the Medical Marijuana Tracking System.

#### Outdated, Damaged, Deteriorated, Mislabeled or Contaminated Product Requiring Disposal

If any products are required to be disposed of by DBR, or must be disposed of because of a defect in a product (mold, contamination, etc.), the product is outdated, damaged, deteriorated, or mislabeled, the Compliance Manager will oversee the destruction of the medical marijuana product.

Any marijuana or marijuana product which must be destroyed must be made unusable and any marijuana plant material made indistinguishable from other plant material by grinding and incorporating the marijuana plant waste with other non-consumable solid waste or other ground materials. The resulting mixture must be at least fifty percent non-marijuana waste by volume. Marijuana waste rendered unusable will then be delivered to a licensed solid waste disposal facility in Rhode Island for final disposition. The Inventory Manager will perform the mixing of the destroyed marijuana, and the Compliance Manager will oversee the process. Records will be kept of the exact date of the destruction, the name of the product, the amount of product destroyed, the volume of the product destroyed, and volume of the non-consumable solid waste and the nature of the non-consumable waste, the final volume of the combined marijuana product and non-consumable waste, the date the destroyed marijuana was delivered to the disposal facility, and the name and location of the disposal facility. The Compliance Manager must take a photograph of the mixed marijuana and non-consumable solid waste prior to mixing, and after mixing. The log and photographs will be combined together and maintained with the records in the Security Room. All destruction of marijuana must be done in an area within full view of Pinnacle security cameras.

The Inventory Manager will be responsible for updating the Medical Marijuana Tracking System to reflect that the marijuana product has been destroyed.

The Compliance Manager will review this procedure on at least an annual basis, and ensure that it is in compliance with DBR regulations and recommendations, as well as DEM regulations and recommendations.



## **Medical Marijuana Tracking System**

The Medical Marijuana Tracking System is the most important tool for Pinnacle maintaining legal compliance and safety. All transactions at Pinnacle, from receiving, storing, selling products, recalls, returns of defective products, and patient limits will all be accurately stored and entered into the Tracking System.

The Compliance Manager will work closely with the Inventory Manager to ensure that the Tracking System is properly utilized from the moment any medical marijuana arrives at the receiving area from a Rhode Island licensed cultivator. The Inventory Manager will be responsible for overseeing that all deliveries of medical marijuana products are properly entered into the Tracking System.

The Compliance Manager will be responsible for coordinating all initial training on the Tracking System, as well as developing and overseeing the training of all staff on the Tracking System. The Compliance Manager will conduct “refresher” trainings with each department at least every two months, and will be readily available to answer questions and troubleshoot any issues any staff encounter in using the Tracking System. The Compliance Manager will oversee a monthly written test given to all staff utilizing the Tracking System in order to ensure their correct usage of the Tracking System. Finally, the Compliance Manager and the Inventory Manager will reconcile the physical inventory count with the Tracking System on at least a weekly basis to ensure correct usage of the Tracking System and that there is no diversion occurring. If there are any issues or discrepancies which cannot be immediately resolved, the Compliance Manager will promptly contact DBR.

### Discrepancies

Should any employee at Pinnacle utilizing the Tracking System believe there is any malfunction or error with the system, the employee must immediately inform the Compliance Manager. The Compliance Manager will immediately investigate the issues, and notify DBR.

Should DBR confirm that there is a problem with the Tracking System as a result of the Compliance Manager’s communication, or should DBR reach out directly to the Chief Compliance Officer or Compliance Manager to inform them of a problem with the Tracking System, the Chief Compliance Office and Compliance Manager shall immediately take the following steps: The Chief Compliance Officer and the Compliance Manager will immediately implement the alternative tracking as required by DBR. This may include conducting an initial comprehensive inventory of all medical marijuana, conducting daily subsequent comprehensive inventories, and/or conducting a monthly inventory of all medical marijuana. Records of any hand inventory must be kept both in hard copy, and electronically, and must be kept in the Security Room. Any hand inventory results must be made available to DBR upon request. The Chief Compliance Officer and Compliance Manager shall ensure strict compliance with the plan sent by DBR.

### **Storage Security**

All medical marijuana products will be stored in the Vault, with access limited to Managers. As described in the Security Plan, the vault will be extremely secure and will have many failsafes in order to ensure no unauthorized access.

There will be separate locked sections within the vault for (1) products available to be sold (2) quarantined/recalled products to be destroyed and (3) potentially defective products which require investigation.

Only Managers will be able to retrieve products from the Vault to bring to the locked cabinets and locked display case in the POS area. All medical marijuana products must stay behind the counter and must be in a locked container until the sale is complete, the Tracking System is updated, the product is placed in appropriate bags to leave the property, and is handed to the patient, caregiver or authorized purchaser.

At the end of the Compassion Center open business hours, all medical marijuana must be removed from the POS area, and returned to the Vault by a Manager. All inventory shall be accounted for when it is in the POS area, and then verified when it is in the Vault to ensure no diversion occurs.

### **Products Leaving Pinnacle After Sale**

Pinnacle will place all medical marijuana products into a child-resistant Exit Package at the point of sale. Patients should carry the products they have purchased out in the Exit Packaging.

### **Record Retention**

Pinnacle Compassion Center, Inc. takes seriously its obligations to preserve information relating to litigation, audits, legal compliance, and investigations.

From time to time, the Corporation may suspend the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings.

<i>Area</i>	<i>Type of Record</i>	<i>Length of Retention</i>
<b>Corporation Documents</b>		
	<i>Bylaws and Articles of Incorporation</i>	Permanent
	<i>Board resolutions</i>	Permanent

	<i>Board and committee meeting agendas and minutes</i>	Permanent
	<i>Conflict-of-interest disclosure forms</i>	4 years
<b>Finance and Administration</b>		
	<i>Financial statements (audited)</i>	7 years
	<i>Auditor management letters</i>	7 years
	<i>Payroll records</i>	7 years
	<i>Check register and checks</i>	7 years
	<i>Bank deposits and statements</i>	7 years
	<i>Chart of accounts</i>	7 years
	<i>General ledgers and journals (includes bank reconciliations)</i>	7 years
	<i>Investment performance reports</i>	7 years
	<i>Equipment files and maintenance records</i>	7 years after disposition
	<i>Contracts and agreements</i>	7 years after all obligations end
	<i>Purchase Orders</i>	6 years
	<i>Correspondence - general</i>	3 years
	<i>Dispensing and Sales Transactions</i>	3 years

	<i>Educational materials</i>	7 years
<b>Insurance Records</b>		
	<i>Policies - occurrence type</i>	Permanent
	<i>Policies - Claims made type</i>	Permanent
	<i>Accident Reports</i>	Permanent
	<i>Safety OSHA Reports</i>	7 years
	<i>Claims (after settlement)</i>	7 years
	<i>Group disability records</i>	7 years after end of benefits
<b>Real Estate</b>		
	<i>Deeds</i>	Permanent
	<i>Leases (expired)</i>	7 years after all obligations end
	<i>Mortgages, security agreements</i>	7 years after all obligations end
<b>Tax</b>		
	<i>IRS Tax returns and related correspondence</i>	Permanent
	<i>IRS Form 1120s</i>	7 years
	<i>State Tax returns</i>	7 years
<b>Records</b>		
	<i>Policies - claims-made type</i>	Permanent
	<i>Accident reports</i>	7 years

	<i>Safety (OSHA) reports</i>	7 years
	<i>Claims (after settlement)</i>	7 years
	<i>Group disability records</i>	7 years after end of benefits
<b>Human Resources</b>		
	<i>Employee personnel records/files</i>	Permanent
	<i>Retirement plan benefits (plan descriptions, plan documents)</i>	Permanent
	<i>Employee handbooks</i>	Permanent
	<i>Workers comp claims (after settlement)</i>	7 years
	<i>Employee orientation and training material</i>	7 years after use ends
	<i>Employment applications</i>	3 years
	<i>IRS Form 1-9 (store separate from personnel file)</i>	Greater of 1 year after end of service, or three years
	<i>Withholding tax statements</i>	7 years
	<i>Timecards</i>	3 years
<b>Technology</b>		
	<i>Software licenses and support agreements</i>	7 years after all obligations end
<b>Security</b>		
	<i>Inventory Records</i>	3 years

	<i>Emergency Notification Reports</i>	3 years
	<i>Maintenance, inspections and tests of security alarm and video surveillance systems and of servicing, modifications, or upgrades performed on said systems</i>	3 years
	<i>Visitor Logs</i>	3 years
	<i>Surveillance Recordings</i>	90 days
	<i>All Records Applicable to Surveillance System</i>	1 year

**Personnel Records** - The following will be contained in each Personnel record, and will be kept indefinitely:

- The employee's employment application.
- Employment agreement with the duties, responsibilities, authority and qualifications and supervision of the employee.
- Employment contract with compensation terms.
- Records of any disciplinary action.
- Documentation of all required training, which shall include a signed statement from the individual indicating the date, time and place he or she received said training, topics discussed, and the name and title of presenters.

**Security Records** - The following will be kept as a part of all security records, with on site documentation and digital back up, for at least 3 years:

- Inventory records including, at a minimum, the date the inventory was conducted, a summary of the inventory findings and the name, signature and title of the individual who conducted the inventory.
- All records of maintenance, inspections, and tests of the security alarm and video surveillance systems and of servicing, modifications, or upgrades performed on said systems. These records shall include, at a minimum, the date of the action, a summary of the action(s) performed and the purpose therefore, and the name, signature and title of the individual who performed the action(s).
- Emergency notification reports.
- Visitor logs which shall include the name of each visitor, a photocopy of the visitor's government issued ID upon first visit, the date and time of the beginning and end of the

visit, the reason for the visit (i.e. maintenance, authorized pickup, etc.), and the name of the escorting registry identification cardholder.

- A map of the camera locations, direction of coverage, camera numbers, surveillance equipment maintenance activity log, user authorization list and operating instructions for the surveillance equipment.
- All surveillance recordings must be kept for a minimum of ninety (90) calendar days. Video recordings shall not be destroyed if the compassion center or licensed cultivator knows or should have known of a pending criminal, civil or administrative investigation or any other proceeding for which the recording may contain relevant information.

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods should be tested on a regular basis.

The Corporation's records should be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the Corporation operating in an emergency will, if possible, be duplicated or backed up at least weekly and maintained off-site.

Documents should be eliminated at the end of the relevant retention period. Destruction of financial and personnel-related documents should be accomplished by shredding. Document destruction with respect to relevant documents will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation or lawsuit.

Electronic data will be encrypted and stored on secure servers in secure storage areas under 24-hour video surveillance. Physical records will also be stored in a secure storage room under 24-hour surveillance. The secure storage room will have limited access. Access logs will be retained as well as other records, including but not limited to: (a) Inventory tracking (b) Financial Records (c) Security Records (d) Employee Records.

Pinnacle will periodically review these procedures with legal counsel or Pinnacle's certified public accountant to ensure that they are in compliance with new or revised regulations.

## **Employees**

### **Job Descriptions**

#### **I. Executives:**

*Chief Executive Officer/Chief Compliance Officer:*

The Chief Executive Officer (CEO)/Chief Compliance Officer (CCO) is responsible for the overall management and success of Pinnacle Compassion Center and ensuring that all areas

of the operation are focused on compliance. This includes, but is not limited to: Development, review and refinement of the company's business strategy, and execution of that strategy in order to ensure success; Overseeing all operations and business activities to ensure they produce the desired results and are consistent with the overall strategy and mission; Analyze problematic situations and provide solutions to ensure company survival and growth; Enforce adherence to regulatory and legal guidelines and company policies to maintain the company's legality and business ethics; Ensure revenue growth is achieved in a responsible and profitable manner; Provide high-level strategic and tactical leadership to the Board of Directors and other leadership teams; Motivate a high performance, innovative and results-driven team; Develop performance measurements and ensure these metrics are achieved; Developing engaging, passionate and loyal employees in partnership with the leadership team and team managers.

The CEO also plays the role of the CCO in order to ensure that compliance is at the highest level of priority of the CEO. As such, the CEO/CCO oversees the Compliance Manager, and will act as the central hub to review compliance with all other areas/departments of the Compassion Center. The Chief Compliance Officer is responsible for the overall compliance of the Compassion Center with all Rhode Island statutes and regulations, guidelines or guidance from the Department of Business Regulation/Office of Cannabis Control and Department of Health, as well as all other areas of compliance - tax and financial compliance, labor compliance, building code compliance, etc. The Chief Compliance Office is also the Chief Executive Officer to ensure that Compliance is at the heart of all of Pinnacle's operations. The Chief Compliance Officer's role is big picture compliance, oversight of the Compliance Manager, and enforcing compliance reviews/reports from every department, and ensuring swift remediation and addressing of any compliance related issues.

#### *Chief Operating Officer:*

The Chief Operating Officer (COO) oversees the day to day operations of the Compassion Center and leads the product and service offerings strategy. This includes the responsibility for informing new product development and product management, outreach operations, information technology, data analytics, and strategic marketing and branding. The COO will be a key member of the senior leadership team and will maintain control of diverse business operations. This role provides operational advice and recommendations to the CEO in order to ensure efficiency and maximize profitability, while meeting the strategic objectives of the company. This includes the following: Oversee all retail operations; Design and implement business strategies, plans and procedures that promote collaboration and a positive culture and vision for the organization.

#### *Chief Financial Officer:*

The Chief Financial Officer (CFO) will provide leadership, direction and management of the finance and accounting team and communicate recommendations to the CEO and executive team. The roles and duties include: Develop and lead financial strategy, goals and objectives; Oversee long-term budgetary planning and costs management; Participate in key decisions pertaining to strategic initiatives, operating model and operational execution; Prepare and maintain regular financial planning reports; Assist in establishing yearly objectives and meeting agendas; Complete analysis of financial results; Develop and utilize predictive models and



activity-based financial analyses to provide insight into operations and business plans; Coordinate the development and monitoring of budgets; Engage the Board of Directors to develop short and long-term financial plans and projections; Ensure maintenance of appropriate internal controls and financial procedures; Ensure legal and regulatory compliance regarding all financial functions; Oversee preparation of month-end, quarter-end, and year-end financial statements; Review all month-end closing activities including general ledger maintenance, balance sheet reconciliations and corporate/overhead cost allocation; Enhance and implement financial and accounting systems, processes, tools and control systems. Finally, the CFO will oversee the Records, Finance and Administrative Manager.

## II. Senior Management:

### *Operations Manager:*

The Operations Manager is responsible for overseeing and directing all day-to-day operations in order to ensure the Compassion Center operates smoothly and efficiently. This includes management of the Security and Facilities Manager, Patient Education and Outreach Manager, and the Patient Associate Team. The Operations Manager is responsible for overseeing all activities on the dispensary floor, including hiring, training and management of Patient Associates, scheduling, ensuring compliance with the standard operating procedures, evaluating processes with leadership and proposing solutions to increase efficiency and employee engagement, training retail staff on proper cash handling and inventory management, record keeping related to staff and inventory at point of sale, cash management, customer service, and helping to maintain a clean, safe, and welcoming facility. The Operations Manager will oversee the Security and Facilities Manager and the Patient Education and Outreach Manager to ensure they are properly carrying out their job duties.

### *Compliance Manager:*

The Compliance Manager has the extremely important role of ensuring the Compassion Center is operating within accordance to all regulations and guidelines. This includes developing and maintaining policies and procedures to prevent illegal, unethical or improper conduct. Along with, performing regular audits of the facility in order to remedy any potential issue before they occur. The Compliance Manager will also investigate and resolve compliance concerns, issues or violations. It will be their responsibility to keep up with regularly changing rules and regulations along with ensuring the understanding and implementation throughout the company. The Compliance Manager will also collaborate with the management team to compile compliance concerns, issues or violations.

### *Finance, Records, and Administrative Manager:*

The finance, records, and administrative manager works directly with the board and other leadership members to monitor revenue and expense tracking and projections, ensure property record keeping, and oversee all administrative needs of the Compassion Center. This includes supervision of the Human Resources staff and Administrative Assistant, performance of monthly, quarterly, and annual sales reviews to proactively identify business improvement opportunities, develop budget strategies, assess proper pricing compliance, and implement positive action plans with cross-functional executives to improve productivity, increase efficiencies, and enhance the patient experience.

#### Mid-Level Management:

##### *Security & Facilities Manager:*

The security and facilities manager will be responsible for ensuring the safety of all patients and employees, and supervision of all Security Staff/Guards. Main responsibilities include establishing a secure and safe facility, as well as ensuring all video surveillance equipment is operating properly. It will be the duty of the manager to maintain all systems and infrastructure throughout the site and organize repair schedules as needed. The manager will ensure operations adhere to security plan and oversee accident/emergency prevention plans. This position will work collaboratively with compliance, security and patient outreach teams and staff, as well as facilitate communication with the Board.

##### *Inventory & Quality Control Manager:*

The Inventory and Quality Control Manager oversees all control tasks and supervises inventory activities performed by the staff to ensure the completion of any daily tasks necessary for smooth operation. Responsibilities include receiving all products, quality control and food safety; ensuring segregation and disposal of outdated, damaged, deteriorated, misbranded or adulterated cannabis; ensuring proper tracking and disposal of unusable products based on state and local requirements; executing precise daily, weekly and monthly inventory reports; conducting audits in accordance with state guidelines; perform the daily tracking and supply of product inventory both at the service counter and in inventory storage; ensure inventory policies and procedures are being observed by all employees; ensure all staff compliance with hygiene and sanitation guidelines; and maintain appropriate levels of supplies, organization and overall cleanliness of the department and product storage areas; maintain accurate, organized and compliant departmental records; review for assurance that no errors have occurred, or if they have occurred, that they have been investigated and resolved; communicate weekly with leadership to maintain inventory budget and goals.

##### *Patient Education and Outreach Manager (Part time):*

The patient education and outreach manager will be responsible for ensuring Pinnacle Compassion Center develops a safe and positive relationship with all patients. This position is important in ensuring all patients are treated with dignity and feel supported at all times. Typical duties will be to lead new patient seminars, perform new patient outreach, provide patient education, inspire patient confidence and create patient loyalty, develop knowledge of various strains and their effect on debilitating medical conditions, develop and carry out the patient survey, and articulate monthly goals.

##### *Human Resources:*

The human resources specialists will be responsible for recruiting, screening, interviewing and placing workers. This position also handles employee relations, payroll, benefits, and training. They work closely with other managers and executives to assist with overseeing employees in their duties and consulting on strategic planning. Typical duties include: Plan and coordinate the workforce to best use employees' talents; Resolve issues between management and employees; Advise managers on policies like equal employment opportunity and sexual harassment; Coordinate and supervise the work of specialists and staff; Oversee recruitment and hiring process; Direct disciplinary procedures.

### III. Entry Level Management:

#### *Facilities Staff:*

The facilities staff is responsible for ensuring a clean, safe, and operational facility at all times. This position works closely with the rest of the staff to address any concerns or issues that arise in regard to equipment or infrastructure. The duties of facility staff include: Daily building rounds, recording of various building systems information to be reviewed with Facilities Manager; Equipment and material movements throughout the site; Recognizing and addressing maintenance and repair problems; Performs all functions associated with material movement through the shipping and receiving areas; Receive materials and shipments and distribute to appropriate departments, package materials and shipments and arrange transport; all in a safe, efficient, and timely manner; Addressing emergency situations in a timely manner; Cleaning; Performing any other facility related tasks as deemed necessary by the facility manager or leadership boards.

#### *Administrative Assistant:*

The administrative assistant is responsible for completing daily tasks at the facility in order to ensure operations run smoothly. Duties include: Answer phone calls and emails; Perform data entry; Book appointments for patients for services they request; Maintain a current stock of educational materials, new patient folders etc; Maintain staffing area; Assist with any and all other tasks requested and required during day-to-day operations of the finance, administrative and human resources departments.

#### *Patient Associate:*

The patient associate will facilitate all retail sales and interact with patients on a daily basis. It is the role of the patient associate to make all patients feel welcome and ensure a successful and efficient experience while in the facility. This position is responsible for the following tasks: Check in patients, caregivers and/or authorized purchasers upon arrival to ensure compliance with Rhode Island statutes and regulations regarding Compassion Center access, develop and maintain a positive relationship with all patients; ensure patients' concerns or questions are solved and answered promptly and efficiently; communicate patient requests or problems to the Manager when needed; recommend, select and help locate the proper products for patients; communicate the effects of different types of cannabis to patients clearly and effectively; ring up sales on Point of Sale System and process cash transactions; ensure strict controls to protect organization assets at the direction of management; set up and break down display cases daily; assist in display maintenance and housekeeping; assist in processing and replenishing merchandise and monitoring floor stock, and participate in inventory counts related to the dispensary floor.

#### *Security Team Member:*

The security team member's main role is to ensure the safety and protection of all patients, employees, and products. This includes tasks such as: patrolling the premises, ensuring there are no unauthorized persons on or near the premises, verifying all visitors have prior approval and checking in visitors, monitoring video surveillance equipment, verifying the identity of patients, caregivers and authorized purchasers when they request entry into the facility

in conjunction with the Patient Associates. It is important to confirm there is constant compliance with all regulations and guidelines in regard to daily operations. It will also be the responsibility of the security team member to work with other staff members and leadership directors to resolve any security issues and set goals.

*Inventory Control Associate:*

The inventory control associate is responsible for adhering to the guidelines and operating procedures in regard to handling all products. Tasks include receiving all deliveries to the Compassion Center, reports to the Manager relating to inventory, tracking and control; compliance with the system for the storage and receipt of inventory; inspection of exterior of products to ensure quality of product; adherence to the policy and set of procedures for the disposal of products; assistance with inventory counting/tracking and report to the manager; compliance with hygiene and sanitation guidelines.

**Employment Contract**

**The below contract will be the standard contract for all Director level employees of the Compassion Center. Employment contracts may be modified as needed, however, for high level employees in order to best attract high quality employees.**

**EMPLOYMENT AGREEMENT**

This Employment Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by and between Pinnacle Compassion Center, Inc. ("Employer"), and \_\_\_\_\_, ("Employee"). In consideration of the mutual promises made herein, the parties agree as follows:

**ARTICLE 1. AT-WILL EMPLOYMENT**

Section 1.1. *At-Will Employment.* Employer hereby employs Employee and Employee hereby accepts employment with Employer on an at-will basis, with both Employer and Employee able to terminate the employment relationship at any time, with or without cause. This at-will status can only be changed by a writing signed by Employer's President.

Section 1.2. *Annual Review.* Employer will provide Employee annual reviews, which may result in an increase in salary to Employee, but any increase in salary is in the sole discretion of Employer.

**ARTICLE 2. DUTIES AND OBLIGATIONS OF EMPLOYEE**

Section 2.1. *General Job Responsibilities.* Employee is being hired for the position of \_\_\_\_\_. Employee shall report directly to \_\_\_\_\_, and

supervises \_\_\_\_\_. In that capacity, Employee shall do and perform the following services: [Job Description].

Section 2.2. *Matters Requiring Consent of Employer's President.* Employee shall not, without specific written approval of the Employer's President, do or contract to do any of the following:

- (1) Bind the Employer to any contract or agreement outside the Employer's ordinary course of business that could cause the Employer to expend in excess of \$1,000.00 (One Thousand Dollars);
- (2) Bind the Employer to a liquidation event, such as liquidation, dissolution or winding up of the Employer, whether voluntary or involuntary;
- (3) Bind the Employer to a sale of all or substantially all of the assets of the Employer;
- (4) Bind the Employer to a transaction that would result in a change of the control of the Employer;
- (5) Bind the Employer to any transaction that would result in the issuance of any shares of any class of stock of the Employer after the date of this Agreement, or any security convertible into or exchangeable for any shares of any class of the Employer's stock;
- (6) Guaranty any debt or obligation in the name of the Employer; or
- (7) Any other matter prohibited by the Employer's written practices and policies that have been, or will be, distributed to Employer's employees.

Section 2.3. *Devotion to Employer's Business.*

- (a) Subject to the exceptions set forth herein, Employee shall devote his full professional time, attention, best efforts, energy and skill to the business of Employer during the term of his/her employment necessary to effectively and efficiently execute all job responsibilities set forth in Section 2.1. Employee may devote time and attention to other activities that do not compete with Employer or interfere with Employee's obligations, duties and responsibilities to Employer hereunder.
- (b) During Employee's employment with Employer, Employee shall not engage in any other business duties or pursuits whatsoever, or directly or indirectly render any services of a business, commercial, or professional nature to any other person or organization, whether for

compensation or otherwise, that competes with Employer's Business or interferes with Employee's obligations, duties and responsibilities to Employer hereunder, without the prior written consent of the Employer. However, the expenditure of reasonable amounts of time for educational, charitable, or professional activities shall not be deemed a breach of this agreement if those activities do not materially interfere with the services required under this agreement and such activities shall not require the prior written consent of the Employer.

(c) This agreement shall not be interpreted to prohibit Employee from making passive personal investments or conducting private business affairs if those activities do not interfere or conflict with the services required under this agreement. However, during the term of Employee's employment, Employee shall not directly or indirectly acquire, hold, or retain any material interest in any business competing with or similar in nature to the Business.

Section 2.4. *Competitive Activities.* While Employee is an employee of Employer, Employee shall not, directly or indirectly, either as an employee, employer, consultant, agent, principal partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any business that competes with the Business.

Section 2.5. *Uniqueness of Employee's Services.* Employee hereby represents and agrees that the services to be performed by Employee under this agreement are of a special, unique, unusual, extraordinary and intellectual character that gives them a peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law. Employee therefore expressly agrees that Employer, in addition to any other rights or remedies that the Employer may possess, shall be entitled to injunctive and other equitable relief to prevent or remedy a breach of this contract by Employee. The parties are aware that under Rhode Island law specific performance may not be available to enforce all breaches of this agreement but acknowledge that for all such material breaches of this agreement the non-breaching party would be harmed and both parties agree that this harm will be recoverable through monetary damages.

Section 2.6. *Trade Secrets.*

(a) The parties acknowledge and agree that during Employee's employment and in the course of the discharge of his duties hereunder, Employee shall have access to and become acquainted with confidential trade secret information concerning the operation and processes of Employer, including without limitation, confidential financial, personnel, sales, and other information that is owned by Employer, and confidential information concerning Employer's current or any future and proposed work, services, or products, and the facts as well as any descriptions thereof, and that such information constitutes Employer's trade secrets ("Trade Secrets").

(b) Employee specifically agrees that he shall not misuse, misappropriate, or disclose any such Trade Secrets, directly or indirectly to any other person or use them in any way, either during the term of this Agreement.

(c) Employee acknowledges and agrees that the sale or unauthorized use or disclosure of any of Employer's Trade Secrets obtained by Employee during the course of his employment with Employer, would constitute unfair trade practices and unauthorized use of the Employer's Trade Secrets, whether such information is used during the term of Employee's employment or at any other time thereafter.

(d) Employee further agrees that all files, records, documents, drawings, specifications, equipment, and similar items relating to Employer's business, whether prepared by Employee or others, are and shall remain exclusively the property of Employer and that they shall be removed from the premises of Employer only with the express prior written consent of Employer. Employee shall not solicit or hire any client(s) or employee(s) of Employer for one (1) year following termination of employment.

(e) Trade Secrets do not include (1) information that was in the public domain at the time of disclosure; or (2) information that subsequently becomes part of public knowledge or literature through a deliberate act of Employer or Employee that is not in violation of this agreement as of the date of its becoming public.

**Section 2.7 Intellectual Property.** All inventions, discoveries, ideas, and other intellectual property rights, whether they can be patented or not, made or conceived by Employee during the term hereof, either solely or jointly with others, to the extent related to and arising out of Employee's performance under this agreement, shall be promptly and fully disclosed to the Employer, considered work for hire and all right, title and interest thereto anywhere in the world shall be the Employer's property. In the event that such inventions, discoveries and ideas are not considered work for hire for any reason, Employee hereby unconditionally assigns to the Employer all of his right, title and interest therein. Employee agrees to execute any and all documents deemed necessary by Employer to effectuate the foregoing at any time, whether before or after the expiration or earlier termination of this agreement. Compensation for any such inventions, discoveries or ideas shall be deemed to be included in the compensation paid to Employee hereunder.

**Section 2.8 Confidentiality.** At all times the Employee shall abide by the Patient Confidentiality Policy provided by the Employer. Should the Confidentiality Policy change, the Employer will provide an updated copy to the Employee. The Employer shall provide training to the Employee on the confidentiality policy of the Employer and confidentiality best practices, and the Employee will sign a confirmation of receipt of the training, including the date, time, and name and title of the presenter.

### **ARTICLE 3. OBLIGATIONS OF EMPLOYER**

Section 3.1. *General Description.* Employer shall provide Employee with the compensation, incentives, benefits, and business expense reimbursement specified elsewhere in this agreement.

Section 3.2. *Office and Staff.* Employer shall provide Employee with an office, office equipment, supplies, and other facilities and services, suitable to Employee's position and adequate for the performance of his duties. Employee is required to spend time in the field as necessary to effectively carry out his or her job duties and responsibilities, maintain team continuity and direction, grow and maximize sales, and to achieve his or her established goals.

### **ARTICLE 4. COMPENSATION OF EMPLOYEE**

Section 4.1. *Compensation.*

(a) As compensation for the services to be rendered hereunder, Employee shall receive compensation at the rate of \$\_\_\_\_\_ per hour/week/month, payable weekly.

(b) Employee may receive such annual increases in compensation as may be determined by Employer in its sole discretion on the anniversary of this agreement. Nothing herein requires Employer to increase Employee's compensation at any time.

Section 4.2. *Tax Withholding.* Employer shall have the right to deduct or withhold from the compensation due to Employee hereunder any and all sums required for federal income and Social Security taxes and all state or local taxes now applicable or that may be enacted and become applicable in the future.

### **ARTICLE 5. EMPLOYEE BENEFITS**

Section 5.1. *Sick Leave.* In accordance with Rhode Island Law, all full time employees are entitled to 40 hours of sick time/flexible PTO per year, with 2 hours accrued for every 35 hours worked. The accrual period starts ninety (90) days after the hire date.

Section 5.2 *Other Benefits.* The Employer may establish additional benefits through a cafeteria-style benefits plan which the Employee may participate in. The Human Resources Manager will communicate the benefit options and amount of potential benefits in writing.

Section 5.3. *Reimbursement of Business Expenses.*

(a) Employer shall reimburse Employee for all reasonable business expenses incurred by Employee in connection with the business of Employer, including travel expenses, conditional on Employee receiving written authorization from the President, prior to incurring such expense.



(b) Each such expenditure shall be reimbursable only if Employee furnishes to Employer adequate records and other documentary evidence required by federal and state statutes and regulations issued by the appropriate taxing authorities for the substantiation of each such expenditure.

## **ARTICLE 6. SPECIFIC REQUIREMENTS OF POSITION**

*[Reserved for any specific requirements of the position which require further detail]*

## **ARTICLE 7. TERMINATION OF EMPLOYMENT**

Section 7.1. *Termination At Will.* Employee's employment hereunder is at will and may be terminated by either Employer or Employee at any time for any reason, with or without cause.

Section 7.2. *Termination Upon Death.* Employee's employment hereunder shall terminate upon his death, in which event the Employer shall pay to such person as the Employee shall have designated in a written notice filed with the Employer, or if no such person shall have been designated to his estate, all salary, amounts due under benefit plans and profit sharing plans, and reimbursement of business expenses through the date of termination.

Section 7.3. *Return of Documents.* Upon the termination of Employee's employment with Employer for any reason, including without limitation termination by the Employer for Cause, Employee shall promptly deliver to Employer all correspondence, manuals, orders, letters, notes, notebooks, reports, programs, proposals, appraisal documents, agreements, and any documents and copies concerning Employer's customers or concerning products or processes used by Employer and, without limiting the foregoing, will promptly deliver to the Employer any and all other documents or material containing or constituting Trade Secrets.

Section 7.4 *Return of Agent Card.* Upon termination of the Employee's employment with the Employer for any reason, the Employee shall promptly return to the Employer the DBR issued registration card for registration of the Employee as an agent of the Employer.

## **ARTICLE 8. GENERAL PROVISIONS**

Section 8.1. *Notices.* Any notices to be given hereunder by either party to the other shall be in writing and may be transmitted by personal delivery or overnight mail at the addresses in the signature block.

Section 8.2. *Attorney's Fees and Costs.* If any action at law or in equity is necessary to enforce or interpret the terms of this agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision shall be construed as applicable to the entire contract.

Section 8.3. *Entire Agreement.* This agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by Employer and contains all of the covenants and agreements between the parties with respect to that employment in any manner whatsoever. Each party to this agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this agreement shall be valid or binding on either party.

Section 8.4. *Amendment.* This agreement may be amended, modified, superseded, cancelled, renewed or extended and the terms or covenants hereof may be waived, only by a written instrument executed by both parties as hereto, as in the case of a waiver, by the party waiving compliance.

Section 8.5. *Effect of Waiver.* The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this agreement by the other party shall not be deemed a waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

Section 8.6. *Partial Invalidity.* If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

Section 8.7. *Law Governing Agreement/Venue.* This agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island. Any legal action, suit, arbitration, or proceeding arising from or relating to this Agreement shall be brought and maintained in the appropriate court or arbitrator located in and with jurisdiction over Providence, Rhode Island and the parties hereby submit to the jurisdiction thereof.

Section 8.8. *Understanding Agreement.* Employee has read and fully understands the points listed above and has agreed to adhere to all sections as presented. Employee has had an opportunity to seek the advice of legal counsel regarding the terms of this agreement.

Section 8.9. *Assignment.* This agreement, and the Employee's rights and obligations hereunder, may not be assigned by the Employee.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized officers or other authorized signatory, have executed this Amendment as of the date first above written. This agreement may be signed in counterparts and facsimile signatures are treated as original signatures.

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Pinnacle by:

Title:

Address:

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Employee name:

Address:

## **Employee and Agent Training**

### **Training Development and Schedule**

1. Pinnacle will engage an outside training vendor in order to develop dynamic curriculum and training programs for all Pinnacle employees, directors, officers and agents.
2. All employees and agents shall go through a minimum of 15 hour orientation and training for all Compassion Center employees, as well as an additional 15 hour training for their particular position. The orientation curriculum will include reviewing all Compassion Center policies and procedures, as well as regulations relevant to the employee's position. The orientation curriculum will include quizzes of employees to ensure they are understanding and retaining the orientation materials.
3. All employees will be trained on the following topics:
  - a. Federal and State medical marijuana laws and regulations as well as other laws and regulations pertinent to the compassion center agents' responsibilities
  - b. Compliance
  - c. Standard Operating Procedures
  - d. Confidentiality
  - e. Detection and prevention of diversion of medical marijuana and medical marijuana products
  - f. Security & Emergency Procedures
  - g. Medical Marijuana Program Tracking System
  - h. Professional conduct, ethics, and patient confidentiality
  - i. Informational developments in the field of medical use of marijuana.
4. *Quarterly Review.* There will be a quarterly review of all Compassion Center policies and procedures relevant to each employee's roles, as well as applicable regulations. This quarterly review will also include any updates in regulations or statutes applicable to the Compassion Center, and create a space for employees to ask questions regarding the Compassion Center policies and procedures. The quarterly review may include quizzes and/or simulated situations. If any Manager believes an employee does not have sufficient knowledge and understanding of the above topics, or topics specific to their role, in order to carry out Pinnacle's activities with full legal compliance and adherence, the Manager must require additional training.

5. *Anonymous Employee Question and Concern Line.* There will be an anonymous question and concern line that Employees can contact in order to ask questions regarding policies, procedures, compliance, or employee related concerns. This line shall be utilized in developing future curriculum.
6. *Trainings on As-Needed Basis.* Additional training will be developed and implemented as Executives and Managers see needed in order to ensure all employees are compliant with Compassion Center policies and procedures, as well as Rhode Island law.

### **Documentation of Trainings**

All employees and agents shall sign a statement indicating the date, time and place the employee and agent received the training and topics discussed, to include name and title of presenters. Pinnacle shall maintain documentation of an employee or agent's training indefinitely after termination of an employees or the agent's status.

### **Alcohol and Drug Free Workplace**

Pinnacle Compassion Center, Inc. intends to help provide a safe and drug-free work environment for our clients and our employees. With this goal in mind and because of the serious drug abuse problem in today's workplace, we are establishing the following policy for existing and future employees of Pinnacle Compassion Center, Inc.

Pinnacle explicitly prohibits:

1. The use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medication without a prescription or medical marijuana patient card on Compassion Center premises or while performing an assignment.
2. Being impaired or under the influence of legal or illegal drugs or alcohol on Compassion Center Premises, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the Company's reputation.
3. The presence of any detectable amount of prohibited substances in the employee's system while at work, while on the premises of the Compassion Center or its customers, or while on Compassion Center business. "Prohibited substances" include illegal drugs, alcohol, or prescription drugs not taken in accordance with a prescription given to the employee.
4. The Company will conduct drug and/or alcohol testing under any of the following circumstances:
  - a. **FOR-CAUSE TESTING:** The Company may ask an employee to submit to a drug and/or alcohol test at any time it feels that the employee may be under the influence of drugs or alcohol, including, but not limited to, the following circumstances: evidence of drugs or alcohol on or about the employee's person or in the employee's vicinity, unusual conduct on the employee's part that suggests impairment or influence of drugs or alcohol, negative performance patterns, or excessive and unexplained absenteeism or tardiness.

- b. POST-ACCIDENT TESTING: Any employee involved in an on-the-job accident or injury under circumstances that suggest possible use or influence of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. "Involved in an on-the-job accident or injury" means not only the one who was or could have been injured, but also any employee who potentially contributed to the accident or injury event in any way.
  - c. If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, up to and possibly including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.
5. Under no circumstances shall this policy be construed to discriminate against any employee because of their status as a card holding medical marijuana patient.

## **Health Conditions & Cleanliness**

### *Health Reporting*

- Ensuring the health of all persons on the Pinnacle premises is critical, particularly because many patients may have compromised immune systems.
- No employee will be permitted to work if they have symptoms of any communicable illness or health condition. Employees have paid sick time/flex PTO which they should be encouraged to use if they are sick.
- Any health condition inflicting any Employee or agent must be reported to a manager. Once reported, the manager will determine whether the illness merits further medical action, whether it is contagious in nature, or has risk of compromising any product. Employees or agents may be sent home, and may require a doctor's note prior to returning, depending on the seriousness of the illness/condition.

### *Sanitation & Workplace Safety*

Maintaining a clean facility is necessary for the health and safety of everyone on the Pinnacle premises. In order to achieve a clean and sanitary facility, the following policy and procedures will be put in place by the Facilities Manager:

- Daily cleaning must be completed by All levels of Employment in the Compassion Center. Each employee will constantly be focusing on keeping their individual workstations clean and orderly. Including but not limited to:
  - Dusting;
  - Floor mopping and disinfecting;
  - Surface cleaning and disinfecting;
  - Bathroom sanitary cleaning.
- A utility area situated outside the showroom area will contain all cleaning and disinfecting supplies, these will include but not limited to:

- 35% H2O2 Solution;
- Clorox Bleach;
- pH Neutral All-Purpose Cleaner;
- Paper towels, Tissue paper;
- Mop, Mop Bucket, and replacement heads;
- Dusting wands, and replacement filters for dusting wands.
- The Facility Team will be responsible for deep cleaning all areas with the exception of the Vault and the Security Room. Those areas will only be cleaned by Managers with the appropriate security authorizations to be in the Vault and/or Security Room. Those areas should also be deep cleaned on a weekly basis.
- The Facility Team will be responsible for ensuring that all supplies for cleaning and hygiene are fully stocked -ex: toilet paper, paper towels, etc.
- The Facility Team will be responsible for ensuring that all non-cannabis trash is taken out whenever the receptacle becomes at least  $\frac{3}{4}$  full, and at a minimum at the end of each day.

### **Covid 19 Safety Policy**

Pinnacle is extremely concerned about the impact of Covid-19 on employees, patients, agents and contractors at Pinnacle. The Pinnacle Compliance Manager will closely monitor all guidance from DBR, the RI Department of Health, CDC, OSHA, and all other state and federal agencies in order to determine the best approach to minimize any risk of Covid exposure at the Pinnacle Compassion Center. These policies may include the following:

#### **I. Handwashing**

- Everyone must immediately wash their hands with either soap and water, following the CDC guidelines, or clean their hands with hand sanitizer upon entering our facility.
- Per CDC guidelines, any hand sanitizer used by anyone within the Pinnacle facility must be greater than 60% ethanol and 70% isopropanol.
- Pinnacle will display the attached CDC poster “Stop the Spread of Germs” poster in bathrooms, doors, and other high visibility areas.
- Pinnacle will provide, at all times, adequate amounts of soap and water for all employees or contractors to properly wash their hands, and will encourage immediate notification to management if any supplies are running low.

#### **II. Personal Protective Equipment**

- Anyone within the Pinnacle facility must wear a cloth or surgical mask face covering which covers the person’s mouth and nose fully.
- The only exception will be for people who are medically unable to wear a face covering. In which case social distancing and minimizing all contact will be required.

### **III. Social Distancing**

- All employees and persons present in the Pinnacle facility shall maintain, at minimum, 6 feet between them. If any people must be closer than 6 feet apart because of the nature of their work, they must be in close contact for only the minimum amount of time necessary to accomplish the task or activity.

### **III. Cleaning**

- All surfaces will be cleaned with Environmental Protection Agency (EPA)-approved disinfectant, labeled to be effective against emerging viral pathogens. All employees will be instructed to follow the manufacturer's instructions for use of all cleaning and disinfection products (e.g., concentration, application method and contact time, PPE)
- *At least* every 6 hours, all surfaces that may be touched by multiple people must be treated with disinfectant, including exterior door knobs, key pads, bathrooms, etc.

### **IV. Monitoring for Symptoms**

- Pinnacle will keep a detailed log of every employee, patient, caregiver, authorized purchaser, agent, or contractor in the facility.
- At the start of each shift, each employee must log whether they are experiencing any Covid-like symptoms in writing.
- Pinnacle will inform all employees, agents, patients and their representatives that if any employees are feeling any symptoms that may be related to Covid-19 (including but not limited to fever/chills, cough, sore throat, runny nose), they will be asked to please remain at home. All employees will be told to follow normal call-in procedures to alert their manager and extended team, and consult with their medical provider.
- Any employee, agent, or contractor of Pinnacle must be completely symptom free for at least 72 hours before returning to the facility.
- Pinnacle will immediately notify DBR of any employees or agents experiencing Covid like symptoms.

Pinnacle will closely monitor the implementation of these policies and procedures, and looks forward to working with the Department of Business Regulation to ensure the safety of workers and the protection of medical marijuana patients.

Pinnacle offers paid sick leave to all employees, which can help ensure that sick employees stay home.

Pinnacle Compassion Center, Inc. will ensure strict compliance with all recommended or mandatory state and federal protocols, requirements and guidance with respect to the COVID-19 health pandemic. Providing a safe and sanitary environment for both employees and patients is

Pinnacle Compassion Center, Inc.'s top priority on a daily basis. The Compliance Manager will conduct daily review of current and/or any new guidance provided by but not limited to:

- DBR
- The Occupational Safety and Health Administration (OSHA)
- RI Department of Health
- CDC
- The Governors Executive Orders

### **Advertising and Marketing**

The Compliance Manager will work with the Administrative team to ensure that Pinnacle is fully in compliance with all restrictions on advertising. Pinnacle will not engage in any print, radio, TV advertising, billboards or other public physical advertising, nor will Pinnacle hand out handbills on any publicly owned property.

Pinnacle's advertising will only involve Pinnacle's website. The focus of the website will be to provide information to patients. The website will require that anyone attempting to use the website verify that they are over the age of 21, and that they are authorized to use and/or purchase listed products. The website will include the phrase "for use only by qualified patients" and will include the Pinnacle license number. The website will not promote application or enrollment into the program or the services of the practitioner or any other party which facilitates patient registration.

Information on any promotions will only be available on the website, and only after the person utilizing the website has verified that they are over 21 and a patient, caregiver or authorized purchaser.

The Compliance Manager will review the website on at least a monthly basis to ensure that the website is:

- Not attractive to persons under twenty-one (21) years of age;
- Does not promote non-medical use;
- Does not promote activity that is illegal under Rhode Island law;
- Is not contrary to or in direct violation of state or federal consumer protections;
- Does not contain any statements which are deceptive, false or misleading;
- Does not display images or representations of marijuana plants, marijuana or marijuana products;
- Does not display the consumption, use or transfer of marijuana or marijuana products;
- Does not include claims related to potency (beyond listing of cannabinoid content);



- Does not include any prices or the term “sale,” “discount,” “coupon,” “special” or similar terms;
- Does not depict activities or persons in conditions under the influence of marijuana, including but not limited to operating a motorized vehicle, boat or machinery, or persons who are pregnant or breastfeeding;
- Does not contain any content that can reasonably be considered to target individuals under the age of twenty-one (21), including but not limited to images of persons under twenty-one (21) years of age, cartoons, toys or similar images and items typically marketed towards persons under twenty-one (21) years of age or references to products that are commonly associated with persons under twenty-one (21) years of age or marketed to persons under twenty-one (21) years of age;
- Does not contain any imitation of candy advertising;
- Does not include the term “candy” or “candies”;
- Does not encourage the transportation of marijuana or marijuana products across state lines or otherwise encourage illegal activity;
- Does not assert that marijuana or marijuana products are safe because they are regulated by DBR or have been tested by a testing facility or otherwise make claims that any government agency endorses or supports marijuana;
- Does not make claims that marijuana has curative or therapeutic effects;
- Does not contain any health or physical benefit claims; or
- Does not contain material that encourages excessive or rapid consumption.
- Make any other statements which could result in unsafe conditions or public health risks.

Should Pinnacle decide to expand the online marketing, the Compliance Manager must approve any online marketing plan to ensure that all online marketing is targeted solely at medical marijuana patients and individuals over the age of 21, and is in full compliance with Rhode Island law. No marketing plan will be finalized or implemented without the review and final approval by the Compliance Manager.

The Compliance Manager shall immediately make any changes to the website, or other marketing materials, if requested by DBR.

## **Emergency Plans**

### **Emergency Planning Overview**

How Compassion Centers handle significant events can have a long-term effect on their business operations. It is imperative that agents prepare for unfavorable events in order to avoid panic,

handle a situation optimally, and resume work promptly. By implementing training for stressful events, agents can act dutifully, and more confidently should the scenario occur.

Pinnacle will prepare for, protect against, and handle any crises that affect the security or operation of the Compassion Center in the event of a fire, flood, or other natural disaster, or other situations of local, state, or national emergency. At least two emergency preparedness drills will be conducted every calendar year. In case of an emergency, it will be the responsibility of the Security Manager or Compliance Manager to evaluate an emergency, see that appropriate action is taken, determine whether outside support is needed, and summon support, if necessary.

Management will also ensure there is a valid phone number on file for all agents, managers, volunteers, third-party contractors who work on site, and the owner.

Pinnacle will have emergency supplies ready in case of an emergency. Pinnacle will actively educate agents on a standard response safety protocol system, which will be outlined in the agent manual, and use it to enable a rapid response during unforeseen events. By utilizing the standard response safety protocol system, Pinnacle will allow for a more predictable and uniform series of actions as an event unfolds. Pinnacle will standardize the protocol vocabulary so all agents will understand the response and status of the event, providing continuity of expectations and actions. The standard response safety protocols will be understood and rehearsed by all agents and coordinated with local emergency responders if possible.

#### *Evacuation Protocol*

In case of fire, industrial accident, bomb threat or other emergency, an evacuation protocol will be used to move agents from the facility to an external rallying point. Each area of the facility will have pre-determined evacuation routes clearly posted in all work areas, and agents will be briefed on these routes and periodically rehearse them. Upon the initiation of the evacuation protocol, all agents will immediately cease their work activity and assist visitors to the pre-determined evacuation rally site. Agents assigned a safety function should be the last to exit the building whenever possible. One agent will be assigned to take the First Aid Kit as they leave the building. A designated agent will notify the Police and Fire Department by calling 911. All agents will remain at the pre determined rallying site until all agents have been accounted for. Additional steps to be taken in the event of a fire include:

1. If a fire cannot be easily and safely extinguished by the agents discovering it, immediately notify all persons present of the fire
2. Direct all persons present to evacuate the building using the nearest safe exit
3. If possible, turn off electrical equipment and close doors against the fire

Additional steps to be taken in the event of a bomb threat include:

1. Reinforce that bomb threats will be taken seriously
2. An agent receiving a bomb threat will notify their supervisor and/or a member of the senior management immediately

#### *Severe Weather Shelter Protocol*

During severe weather events such as tornadoes or blizzards, a shelter protocol will be initiated for group and self-protection. The shelter protocol may be necessary to protect agents and visitors during severe weather events where seeking hardened protection is prudent. Upon the initiation of shelter protocol, all agents will cease all work activity and assist purchasers and visitors to pre-determined hardened shelter and await further instructions. All agents will remain at the pre-determined rallying site until all agents have been accounted for.

### *Workplace Violence*

Pinnacle is committed to the safety and health of its agents, purchasers, and the local community. Pinnacle will refuse to tolerate any form of violence in the workplace and will make every effort to prevent violent incidents from occurring by implementing a Workplace Violence Prevention Program (WVPP). All managers and agents are responsible for implementing and maintaining our WVPP. Pinnacle will require prompt and accurate reporting of all violent incidents whether a physical injury has occurred or not. Pinnacle will prohibit discrimination against victims of workplace violence. All agents, including managers, are responsible and accountable for using safe work practices, for following all directives, policies, and procedures, and for assisting in maintaining a safe and secure work environment.

Training agents using online resources and onsite drills ensures agents are well-versed in the policies that will best protect them during an incident of workplace violence. Training topics include: examples of workplace violence; company policies; safe confrontation and communication; crisis reporting; and mediation training for management to encourage healthy communication and conflict resolution among agents. Pinnacle will provide resources for agents to seek counseling for issues such as anger management.

Pinnacle will not tolerate unsafe non-physical behavior such as stalking, harassment, or other attempts at intimidation by agents and contractors or by patients and caregivers, who may intentionally or unintentionally violate Pinnacle's Zero-Tolerance Policy for acts of workplace violence or harassment. If another agent, visitor, vendor, or a guest becomes aggressive or violent, a manager will be notified immediately. Management will be trained by a security consultant on how to deal with workplace violence. Violence initiated by an agent may result in termination.

### *Active Threat Nearby: Lockout Protocol*

If an active threat is witnessed or reported within reasonable proximity of the facility, a lockout protocol will be initiated to safeguard everyone within the facility. The lockout protocol is designed to prevent entry into the facility by unknown, suspicious, or dangerous individuals, and to maintain accountability and security of all agents within the facility. All exterior doors and gates, will be locked and secured. No one will be allowed into or out of the facility until the situation that caused the lockout is resolved.

### *Active Threat Inside: Lockdown Protocol*

If an active threat is identified inside the facility, a lockdown protocol will be initiated to safeguard everyone. The lockdown protocol is used to secure individual rooms and to keep agents safely in place. Upon the initiation of a lockdown, all agents will assist visitors and purchasers to rapidly move to predetermined lockable and secured sites within the facility. Only law enforcement is trained to react and confront an active shooter situation. All individuals will remain secured within the locked sites until personally contacted by law enforcement or senior management, indicating all is clear and safe. At the conclusion of a lockdown protocol, a full accountability of agents and visitors will be determined.

#### *Armed Robbery Response Training*

Pinnacle will emphasize agent training and procedural documentation on how to respond to an armed robbery. To help prevent escalation, Pinnacle will install duress alarms to convey that the user is being forced to turn off the alarm system and hold-up alarms to communicate a robbery-in-progress. Additionally, having an easy to follow post-robbery protocol after an incident will greatly reduce stress and decrease the time to resuming business.

All agents will receive training concerning procedures that will be implemented in the event of an attempted robbery. The primary objectives of these procedures will be the protection of human life. Senior management will be primarily responsible for implementing these procedures and for directing others during an event.

Pinnacle will be using an internet-based “Armed Robbery Response Training Program” which educates and trains agents in effectively dealing with an armed robbery if one should occur. Pinnacle will educate and train agents in effectively dealing with an armed robbery if one should occur. Pinnacle feels that educating agents on best practices during an armed robbery will minimize the risk of injury during a robbery. Agents will acquire the knowledge, procedures & confidence to respond to a robbery safely & effectively. In addition, the program is designed to assist in getting back to normal business operations as quickly as possible in the event of an armed robbery.

#### *Power Outage*

If there is a loss of power, designated agents with flashlights will direct all agents and purchasers to the front waiting area until power resumes. All agents will remain in the designated waiting area until full accountability of agents is determined. Purchasers may be permitted to leave.

#### **Reporting Emergency Events**

It is the responsibility of every agent who witnesses or suspects criminal activity at the Compassion Center to report it immediately to Management, DBR/OCR, and local law enforcement. Pinnacle, immediately upon discovery, will report all criminal activity or potential security issue occurring on the premises to the local Police and DBR/OCR immediately upon the discovery of the following situations:

- A difference in actual inventory compared to records;

- Theft or burglary or an attempted theft or burglary, suspected diversion, loss, or any other criminal activity pertaining to the operations of the Compassion Center, including by an agent;
- Any fire, regardless of size or scope;
- A natural disaster that results in the destruction of or damage to medical marijuana or marijuana products;
- A failure of the security alarm system or video surveillance system, due to loss of electrical support, mechanical function, or otherwise, that is expected to exceed an eight (8) hour period;
- A security alarm activation;
- The loss or unauthorized alteration of records related to medical marijuana or Compassion Center agents;
- Any suspicious act involving the sale, distribution, manufacturing, or production of medical marijuana by any person on the premises;
- Any suspected data breach or cybersecurity threat to the Medical Marijuana Program Tracking System;
- Unauthorized destruction of medical marijuana products by any person;
- Any other breach in security or any other event which requires response by law enforcement or public safety personnel.

Pinnacle will also provide written notice of the emergency to the local police and DBR/OCR immediately after the discovery of any of the above emergencies. This written report will detail the following:

- Date and time of the discovery of the occurrence;
- The circumstances of the criminal activity or other emergency;
- Identification of known or suspected cause(s) for the event(s);
- An accurate inventory of the quantity and brand names of the medical marijuana, medical marijuana products or other items diverted, stolen, lost, destroyed, or damaged, if applicable;
- The name, title, and signature of the individual preparing the report.
- Confirmation that the local law enforcement department was notified; and
- Measures being taken to prevent further criminal or mitigate/prevent damage from the emergency activity.

Pinnacle Compliance Officer shall call both DBR/OCR and local law enforcement via telephone the next business day after the written notification is sent by email to confirm receipt and discuss any necessary follow up.

Any notification and report of an emergency event required to be made to DBR/OCR must be made using the mailing address, telephone number, and/or e-mail address provided by DBR/OCR to Pinnacle. The Compliance Office is responsible for ensuring that Pinnacle has the correct DBR/OCR contact information at all times. Should DBR/OCR or local law enforcement

require any additional information regarding the incident, Pinnacle staff shall fully comply with all requests and requirements.

Pinnacle will provide the local Police Department with the current name and telephone number(s) of at least one 24-hour on-call agent to address and resolve complaints and to respond to emergency operating problems or concerns associated with the Compassion Center. The Compassion Center will maintain and make available all documentation related to an occurrence that is reportable and will cooperate with any law enforcement investigations or directives from DBR/OCR. The Compassion Center will keep these records for a minimum of 3 years.

Given the internalized, secretive nature of agent theft, most companies struggle to detect fraud and conduct an agent theft investigation. Therefore, Pinnacle will establish a toll-free internal agent theft tip hotline program. An anonymous or whistle-blower toll-free telephone number gives concerned agents opportunities to provide information on theft and other criminal activities happening in the workplace without fear of retribution. This theft hotline is one of the most effective tools in investigating a theft in the workplace. The theft tip hotline will be operated by a third-party company who will communicate concerns to senior management. The hotline will allow honest agents to report secretive theft concerns to senior management for review and follow-up.

## **Good Neighbor Policies**

### **Environmental Impact Plan**

Environmental sustainability is critical to Pinnacle. Pinnacle will contract with designers, engineers and consultants to design intelligently, utilize energy intelligently, and strive for procedures that lead to zero waste. Wind energy credits will be purchased to offset energy consumption of the Compassion Center. The Compassion Center leadership will explore solar energy to support the electrical needs of the Compassion Center.

Team members within the Compassion Center will recycle all paper and plastic waste products not contaminated with medical marijuana. Energy efficient lights and equipment will also be utilized within the facility. Pinnacle will create programs within the organization that will encourage and reward employees for their personal conservation efforts, such as carpooling and riding a bike to work. Pinnacle Management will also create and implement an employee conservation plan. The employee conservation plan will detail specific actions employees can take for conservation efforts to try and reduce their carbon footprint. A possible reward program may be created and implemented to reward facility employees for conservation efforts. Pinnacle will partner with a local composting company to compost any food waste generated by Pinnacle staff.

Finally, Pinnacle staff will engage in a neighborhood clean up day at least once every 6 months to pick up any trash or waste in the neighborhoods surrounding the Compassion Center.

### **Odor Control & Mitigation**

Pinnacle will ensure that the neighbors to the Compassion Center are not negatively impacted by the odor of medical marijuana. Unless the variance is approved, Pinnacle will not be cultivating, manufacturing, or packaging any marijuana at any location. Keeping all product secure in their vacuum-sealed containers will limit the potential of odor. Packaging will not be permitted to be opened on Pinnacle premises. Preventing air exposure is vital in odor prevention in the facility. This will greatly reduce any potential for odors. Pinnacle will install carbon sheet air purifiers in any room where Cannabis is present in order to further decrease any odor risks. The Compassion Center will also feature air conditioning with in-room air handlers that will constantly cycle the air in each room. This will help to purify the air and remove odor through the air handler's internal filter.

### **Traffic & Mitigation of Community Impact**

Pinnacle Compassion Center, Inc. is committed to being a good neighbor in the community. Pinnacle Compassion Center, Inc. recognizes that traffic, odors, light pollution, noise pollution, and litter may have potentially negative impacts on the surrounding communities. During this process, Pinnacle Compassion Center, Inc. is committed to working with the local Police Department and local government to mitigate any potential negative impacts that traffic may have on the surrounding area, including but not limited to providing financial compensation to the local police department in the event that traffic details are necessary.

### **Economic Development & Community Giving**

Pinnacle has established an "Economic Development & Community Giving" fund to support charities and/or projects in the local community in order to offset any negative impacts of the Compassion Center. The Fund will be a percentage of Pinnacle's revenue, and Pinnacle projects the fund will contribute over \$100,000.00 in the first three years of operation to local community projects. The funds will only be distributed to organizations or for projects located within the City where the Pinnacle Compassion Center is located, or for organizations or projects which primarily serve residents of the City. The decision on which organization or project will receive the funds will be made by a vote of patients frequenting Pinnacle, and local community members.

### **Non-Profit Compliance**

At all times Pinnacle will operate as a Non-Profit, will ensure that it stays compliant with its non-profit status, and is organized for the benefit of the RI medical marijuana patient population. As outlined in the Compliance Manual, Pinnacle will conduct regular reviews of Pinnacle's pricing to ensure its products are not priced at unreasonable rates, and that Pinnacle is best serving RI medical marijuana patients. Pinnacle will work with its outside legal counsel, Chief Compliance Officer, Compliance Manager, all Management, and all staff and agent to ensure ongoing compliance and maintenance of Pinnacle's license.

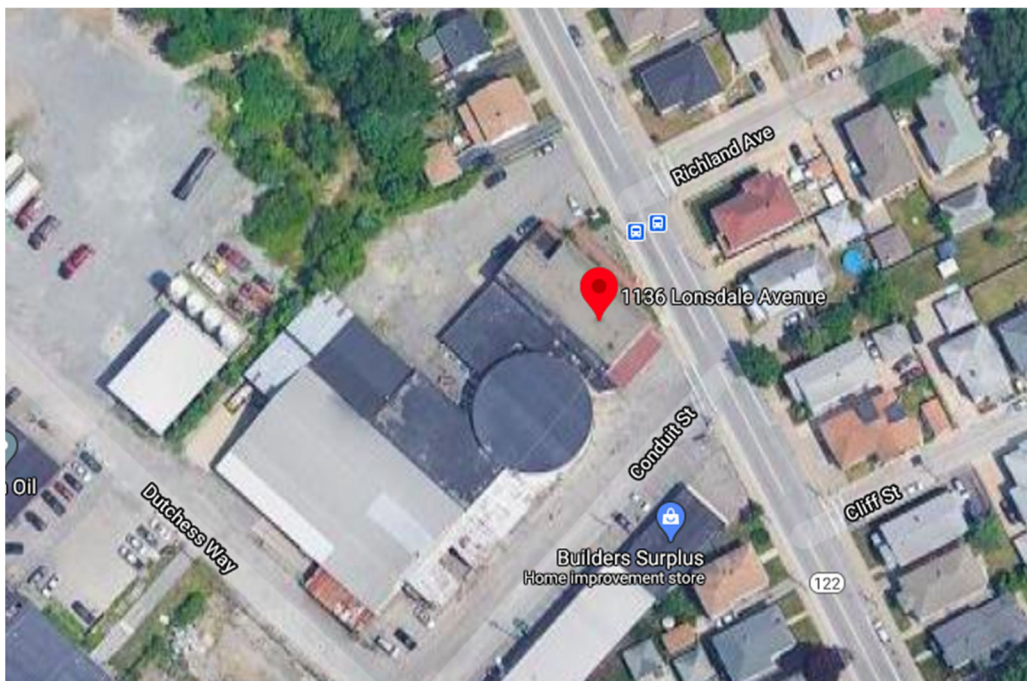
### **CC Exhibit F – Compassion Center Premises Requirements**

- i. A description of the proposed Licensed Premises, including street address, plat/lot number and zoning district.

Pinnacle Compassion Center will be located within the Department of Business Regulation designated zone #2 of Central Falls. The specific address is 1136 Lonsdale Avenue (Plat 10, Lot 113) in Central Falls, RI 02863. This property is recorded and described within the Central Falls land registry Book/Page: 00843/150.

Michael Biszko Jr. has entered into a Purchase and Sale agreement which allows for either the lease or purchase of the property. Michael Biszko will rent the property to Pinnacle Compassion Center on commercially reasonable terms, and not to exceed the amount of rent as listed in the Purchase and Sale agreement. The identified plot of land currently contains a building that Pinnacle Compassion Center intends to renovate. This address is compliant with all state and city regulations in regard to distance from specified zones, distance from schools, and buffers for residential areas.

The property is located in the M-1 Zone.





**SHEEHAN & ASSOCIATES**  
5 Militia Drive • Lexington, MA • 02421  
65 Bay Spring Avenue • Barrington, RI • 02806

Maura L. Sheehan\*  
Megan E. Sheehan\*\*

Phone (781) 860-9593  
Fax (781) 860-7477  
mls@sheehanlawoffice.net  
megan@sheehanlawoffice.net

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*Paralegals*  
Michelle Arsenault  
Timothy R. Sheehan  
Mary Ann Veneziano

*Law Clerk*  
Samantha L. Roy

May 8, 2020

Central Falls Zoning  
% John Hanley  
1280 High Street  
Central Falls, RI 02863

Hello Mr. Hanley,

Please find enclosed the following:

1. Zoning determination request for 1 Conduit Street, Central Falls
2. Zoning determination request for 1136 Lonsdale Avenue, Central Falls
3. Check for \$100 made out to "City of Central Falls" for the requests (\$50 each)

If you have any questions, please don't hesitate to reach out.

Sincerely,



Megan E. Sheehan, Esq.  
Sheehan & Associates  
65 Bay Spring Avenue  
Barrington, RI 02806  
(401) 400-5839  
megan@sheehanlawoffice.net

\*Licensed in MA, Of Counsel To:  
Annette Gonthier Kiely & Associates, P.C.  
10 Federal Street, Suite 401, Salem, MA 01970

\*\*Licensed in MA and RI



City of Central Falls

State of Rhode Island

City of Central Falls  
Zoning Determination

Date Requested: May 7, 2020 Person Accepting Application: \_\_\_\_\_

Person Requesting Information: Michael Biszko

Address: \_\_\_\_\_ Phone #: (508) 679-0518

Address of Property Requesting Information For: 1136 Lonsdale Ave, Central Falls, RI 02863

Owner of Property: Sandra Dee, LLC

Plat 10 Lot No. 113 Zone: \_\_\_\_\_ Lot Area: \_\_\_\_\_

What is existing use of the building? Commercial

What was the prior use of this building? Commercial

Please describe in detail what you would like to put in this location.

Rhode Island licensed medical marijuana compassion center, including cultivation,  
manufacturing and retail sales.

**A floor plan, parking plan and site plan must be submitted with this request**

**There is a \$50.00 fee for this request. All fees are non refundable**

\*If you are requesting a Legal Use or a Zoning Description only, you do not need to submit a site plan, etc.

ELAINE PARTRIDGE  
DIRECTOR



JAMES A. DIOSIA  
MAYOR

CITY OF CENTRAL FALLS  
DIVISION OF CODE ENFORCEMENT AND ZONING

---

1280 HIGH STREET  
CENTRAL FALLS, RI 02863

OFFICE: (401) 727-7460  
FAX: (401) 727-7467

May 13, 2020

Megan E. Sheehan, Esq.  
Sheehan & Assoc.  
65 Bay Spring Avenue  
Barrington, RI 02806

Re: 1136 Lonsdale Avenue, AP 10, Lot 113

Dear Ms. Sheehan,

Please be advised that 1136 Lonsdale Avenue, AP 10, Lot 113 is located in an M-1 (Industrial District) Zone and contains 21,654 square feet of land. Your request to locate a state medical marijuana cultivation site is allowed in accordance with the Rhode Island Zoning and Enabling Act (See G.L. 1956 45-24-37 which allows plant agriculture in all zones in Rhode Island.

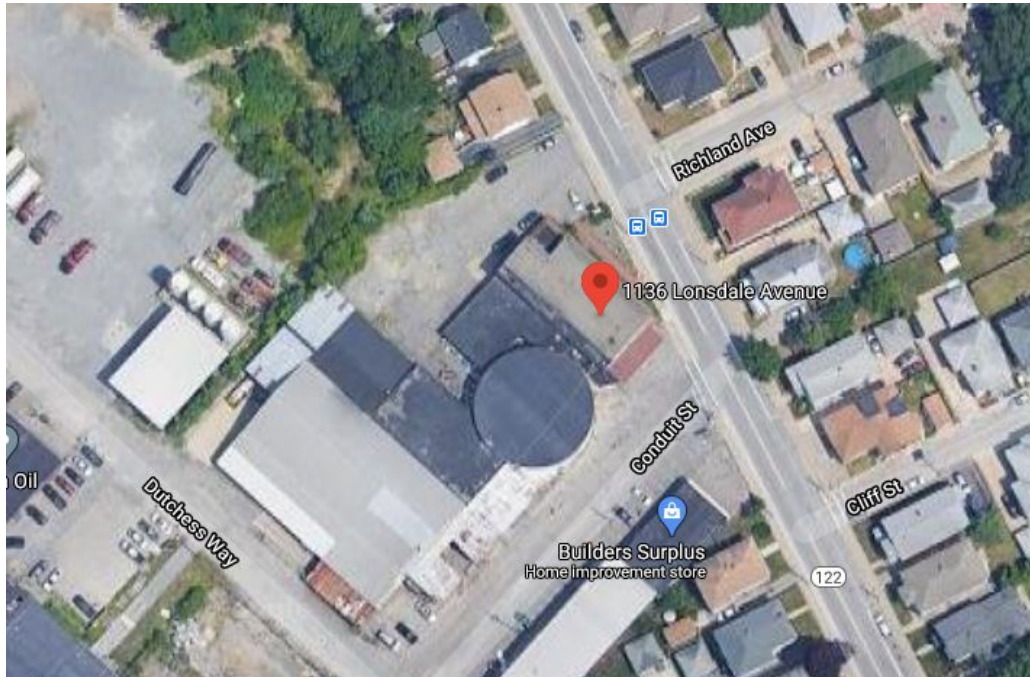
If you have any questions please feel free to call me.

Yours truly,

  
John W. Hanley  
Zoning/Building Official

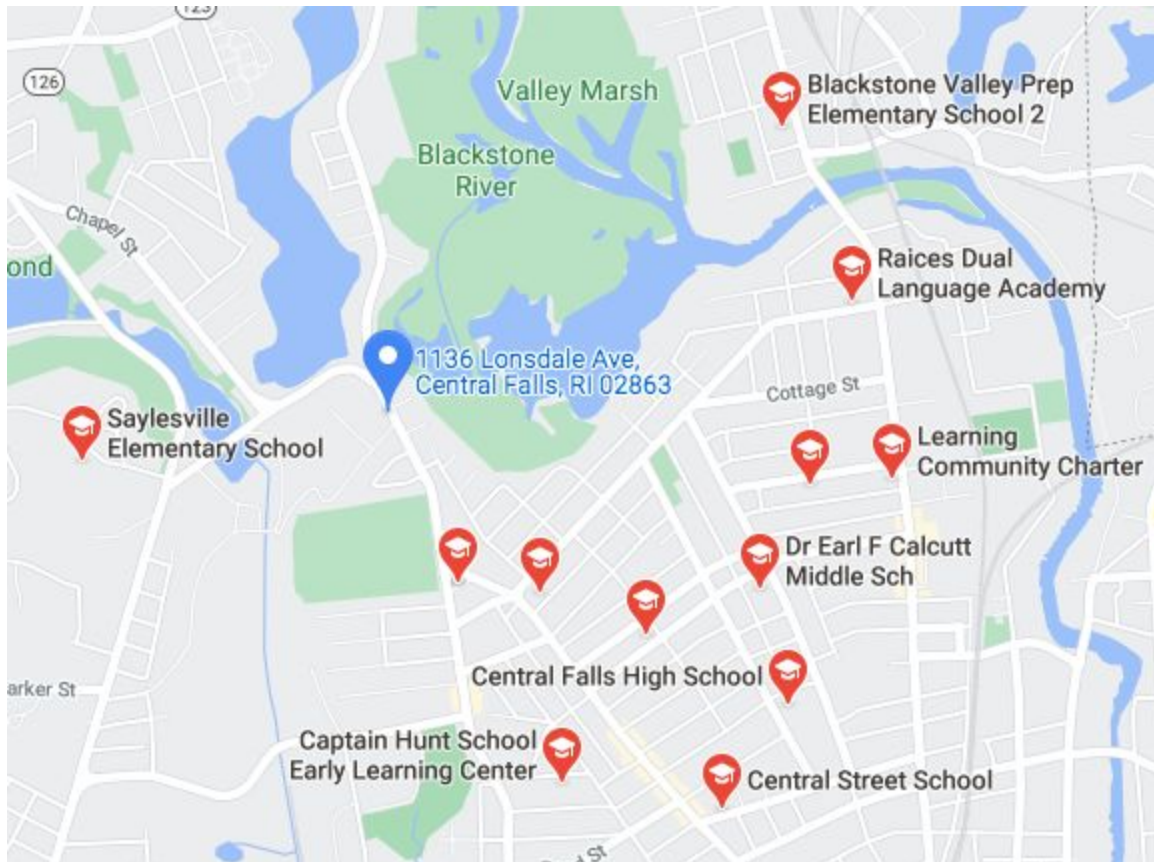
Evidence that the physical location is not located within one thousand feet (1,000') of the property line of a preexisting public or private school:

The proposed Compassion Center Building will have the mailing address of 1136 Lonsdale Avenue, Central Falls, RI 02863 located on Plat 10, Lot 113.

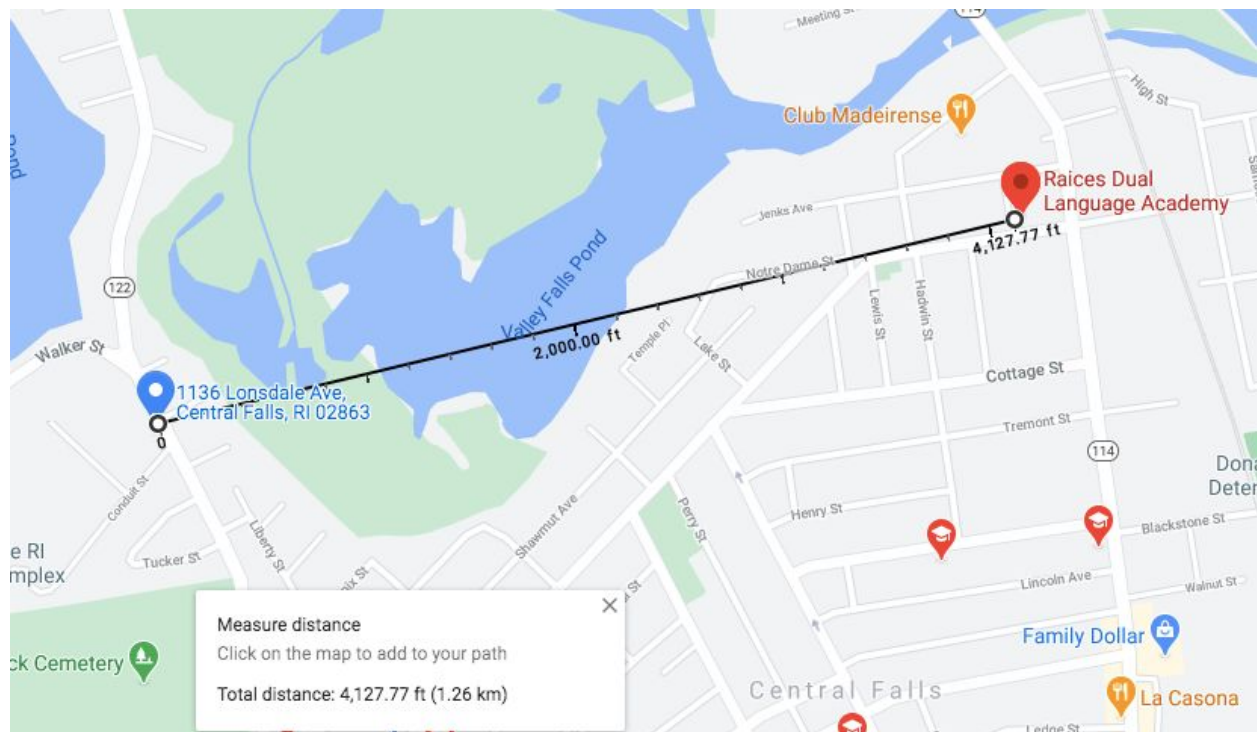




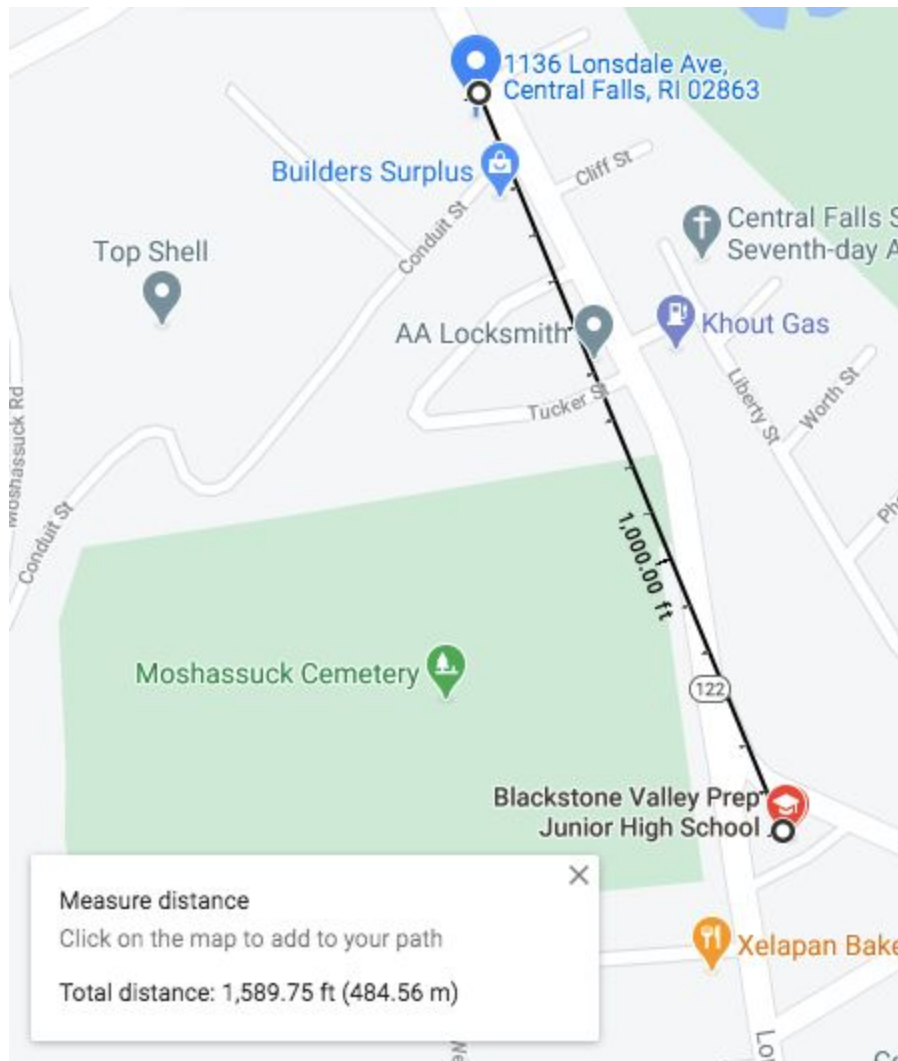
All public and/or private schools within the general vicinity of the proposed compassion center building location are indicated on the Google Maps image attached. A straight line was drawn from the Compassion Center building location to the property line of the nearest school in all directions on Google maps. Each measurement is displayed on the attached maps, all indicating the distance between the two points as more than 1,000 feet.



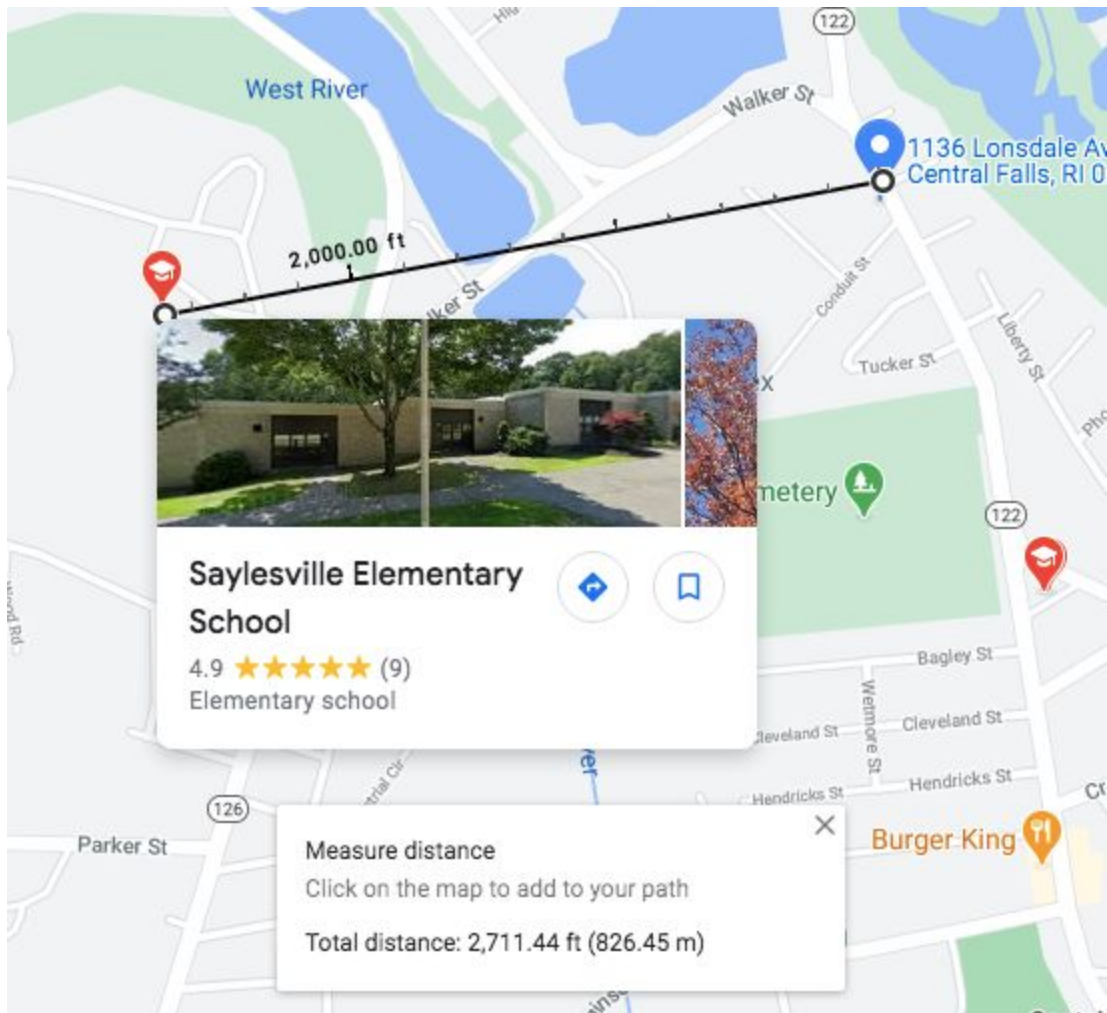
Raices Dual Language Academy (approximately 4,127 feet)



Blackstone Valley Prep Junior High School (approximately 1,589 feet)

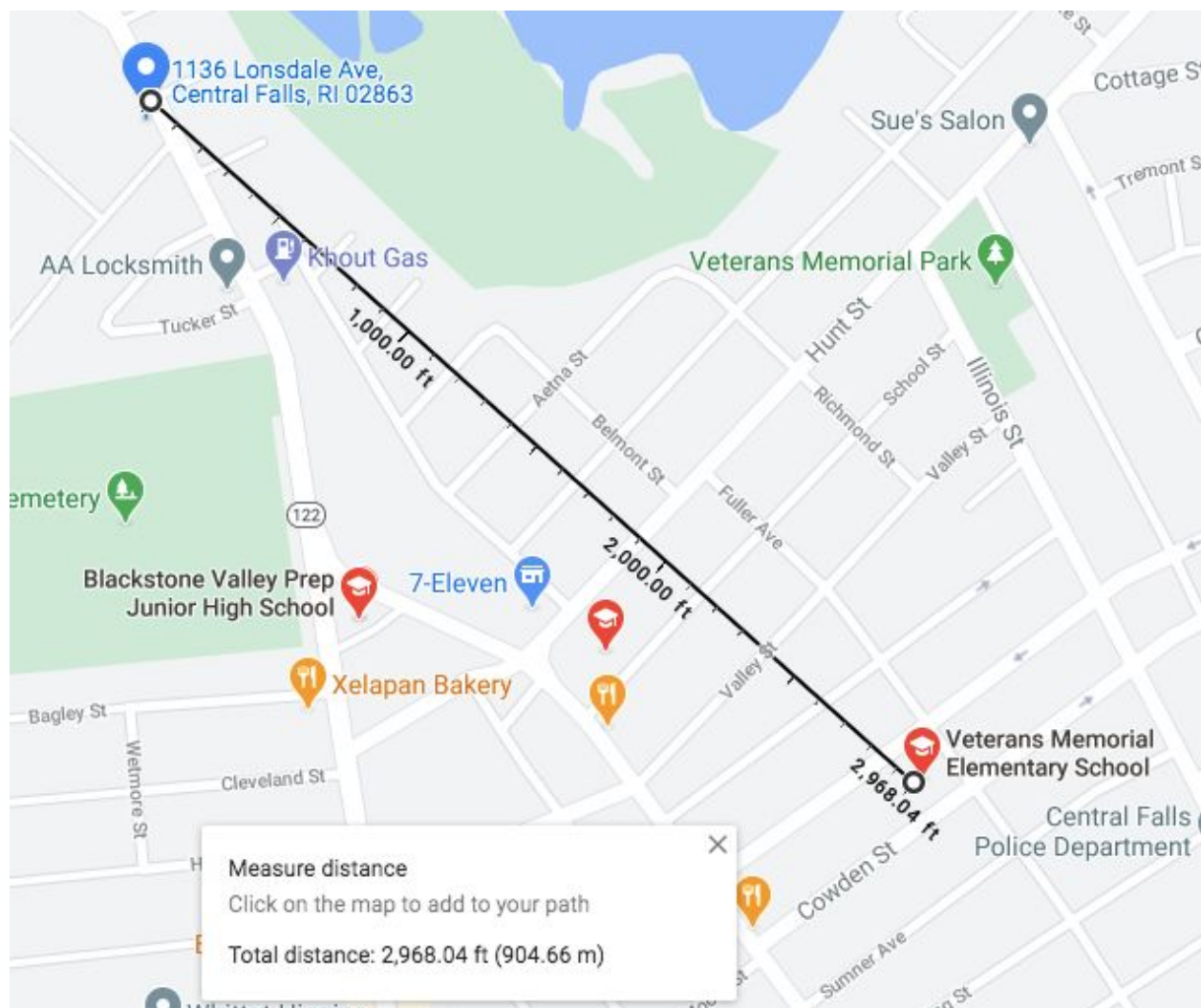


Saylesville Elementary School (approximately 2,711 feet)



Veterans Memorial Elementary School (approximately 2,968 feet)





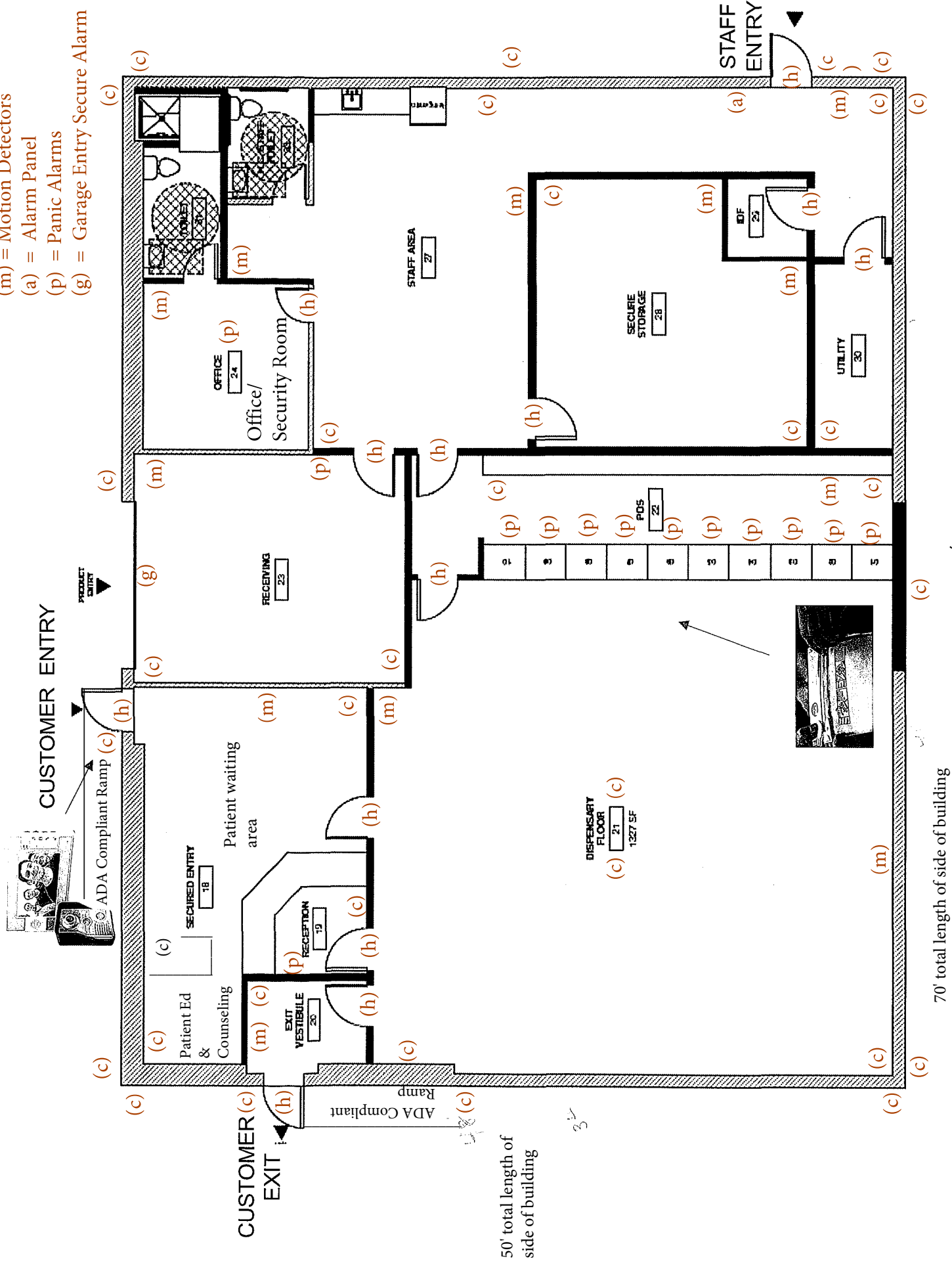
Draft Diagrams - In order to facilitate clarity, please find attached the three diagrams illustrating various aspects of the Compassion Center Plan:

1. Entrance and interior diagram showing where medical marijuana will be stored, processed, packaged, manufactured and dispensed; the restricted-access areas, limited-access areas, walls, partitions, entrances, exits and location of security alarms, cameras, and surveillance recording equipment locations; ADA compliant ramps and first floor access, patient access areas including areas designated for patient enrollment, waiting, and education.
2. Exterior diagram showing parking (including spaces for persons with disabilities), the location of the facility relative to streets and other public areas.
3. Exterior map showing proximity to public transportation and any other relevant information.

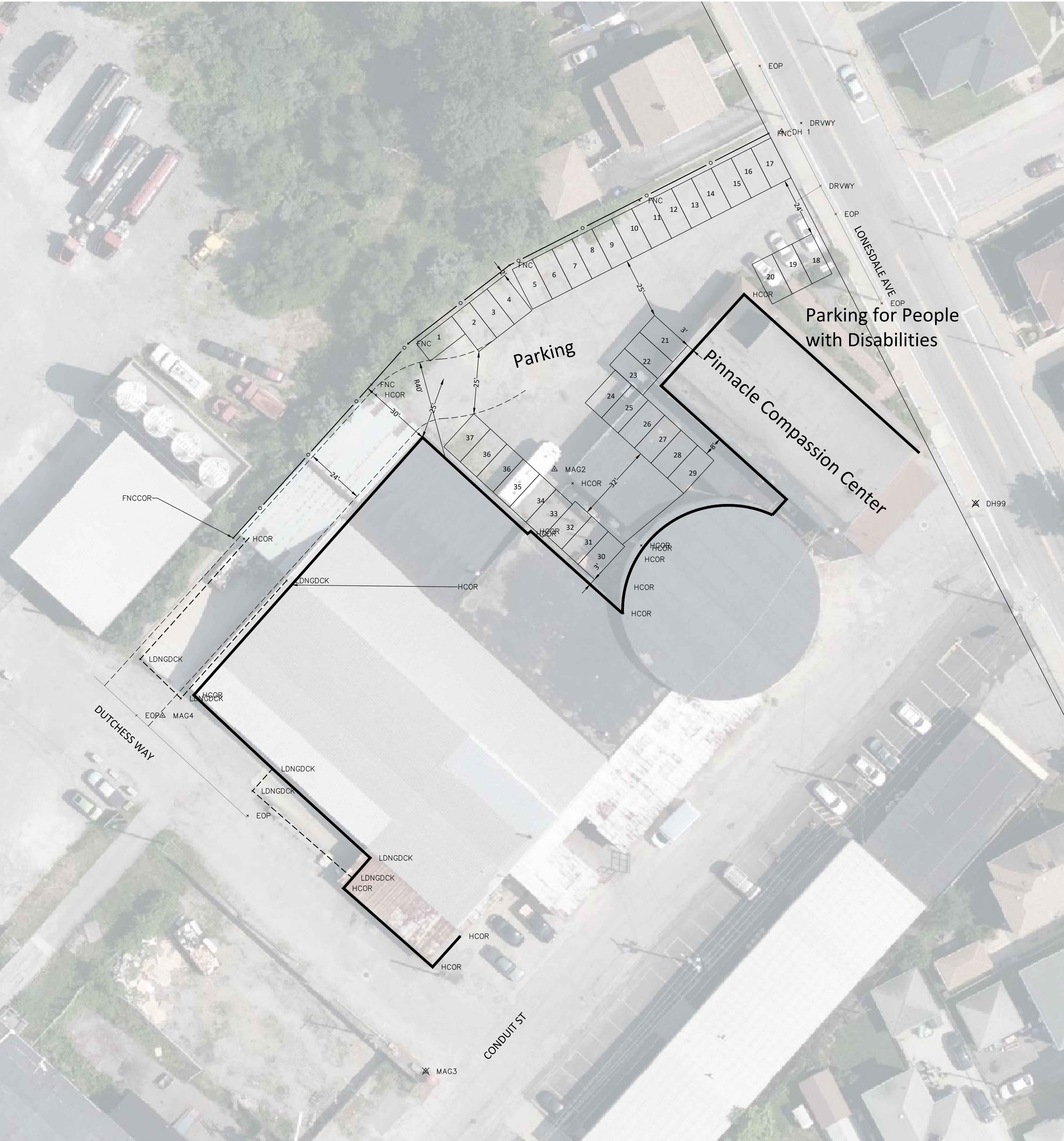
# Pinnacle Compassion Center - Physical Security Drawing

## LEGEND:

- (c) = High Definition Security Camera
- (h) = Lock Hardware with Access Control
- (m) = Motion Detectors
- (a) = Alarm Panel
- (p) = Panic Alarms
- (g) = Garage Entry Secure Alarm





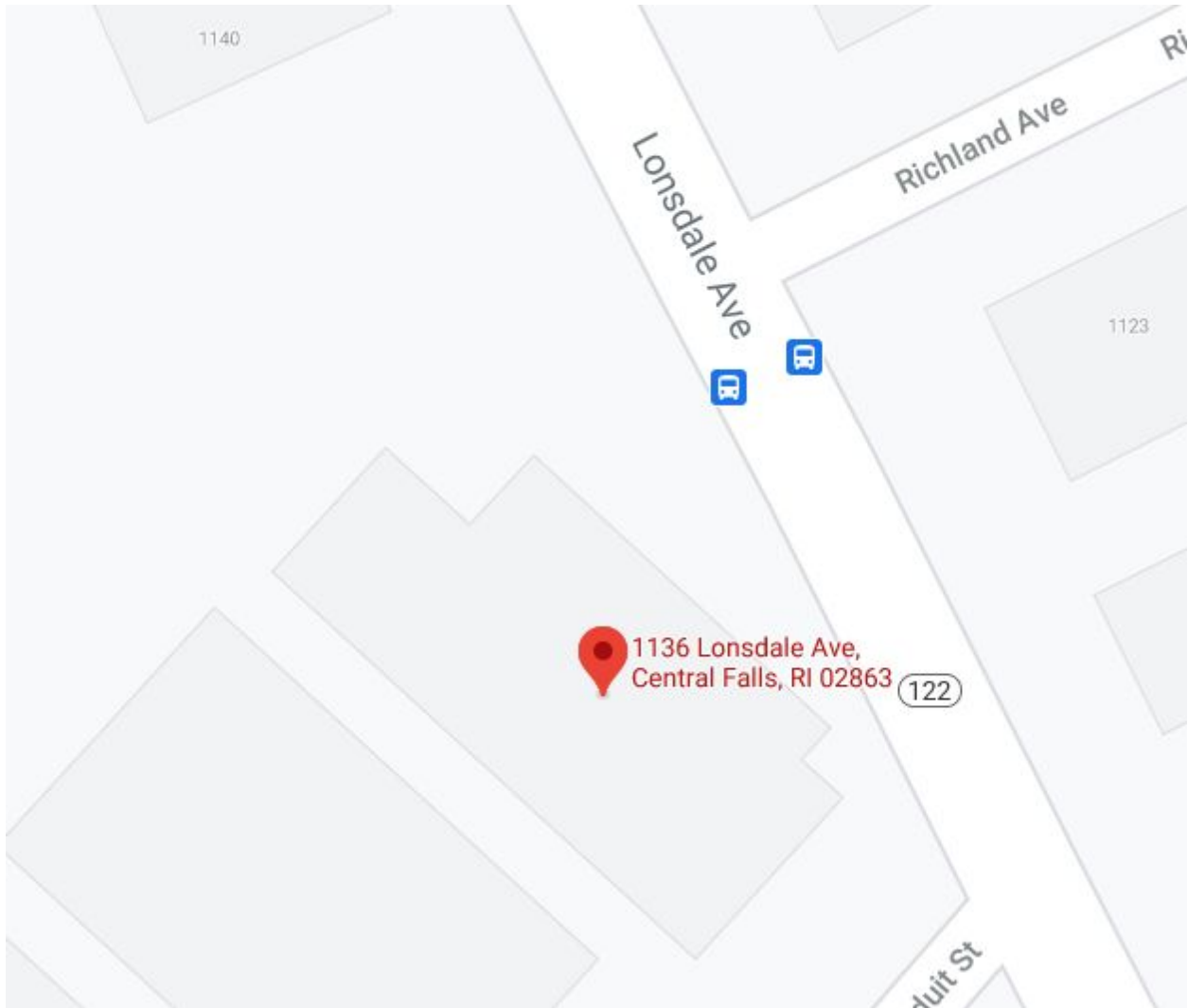




### **1136 Lonsdale Avenue, Central Falls, RI**

There are bus stops located immediately in front of 1136 Lonsdale Avenue, making the potential Compassion Center location easily accessible by public transportation.

1136 Lonsdale is also .3 miles away from the closest fire department, and 1 mile from the closest police station.



Objective parameters to ensure marijuana not visible from the street:

- There will be no windows at the Compassion Center, which will ensure there is no visibility of any of the activities from the street or exterior of the building.
- All medical marijuana will be kept in secure areas that are not immediately accessible to the exterior of the building.
- All shipments will come into the receiving area, and the receiving area closed and secured, prior to the unloading of any medical marijuana products.
- All products will leave with patients/caregivers/authorized purchasers in opaque and secure packaging.
- If granted by the City, there will be a security fence surrounding the property to ensure security and block interior views.

Central Falls: The Compassion Center will be approximately 40 feet from Lonsdale Street.

Executed Agreement permitting lease of the proposed property, and agreement with the owners that the property may be used for a Compassion Center.

## PURCHASE AND SALE AGREEMENT

This 18<sup>th</sup> day of December, 2019.

### 1. PARTIES

**Sandra Dee, LLC**, with a usual place of business located at [REDACTED] 02886

Hereinafter called the SELLER, agrees to SELL and

Michael Biszko, Jr. or his nominee [REDACTED]

Hereinafter called the BUYER or PURCHASER, agrees to BUY, upon the terms hereinafter set forth, the following described premises:

### 2. DESCRIPTION

A certain parcel of land and the buildings and improvements thereon located at the corner of Lonsdale and Conduit Streets, known and numbered as **1 Conduit Street, Central Falls, RI (Map 10, Lot 107) and 1136 Lonsdale Avenue, Central Falls, RI (Map 10, Lot 113)**, consisting of approximately 1.5 to 2 acres, more or less (the "Premises").

### 3. FIXTURES

Included in the sale as a part of the premises are the fixtures belonging to the SELLER.

### 4. TITLE DEED

Said premises are to be conveyed by a good and sufficient warranty deed running to the BUYER, or to the nominee designated by the BUYER by written notice to the SELLER at least seven (7) days before the deed is to be delivered as herein provided, and said deed shall convey a good and clear record and marketable title thereto, acceptable to buyer, free from encumbrances, except

- (a) Provisions of existing building and zoning laws;
- (b) Such taxes for the then current year as are not due and payable on the date of the delivery of such deed;
- (c) Any liens for municipal betterments assessed after the date of this agreement; and
- (d) Easements, restrictions and reservations of record, if any, so long as the same do not prohibit or materially interfere with the current use of said premises, BUYER's anticipated use of the Premises and as are acceptable to the BUYER.

*MB*

*JD*



It is understood and agreed by the parties that the Premises shall not be in conformity with this Agreement unless:

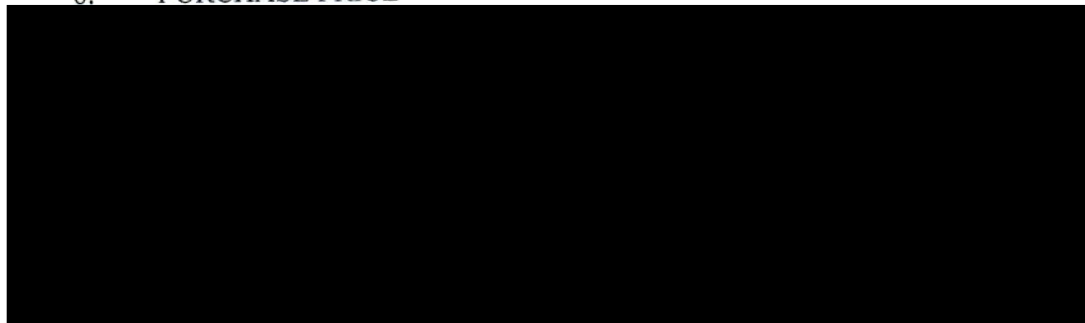
- (a) All buildings, structures and improvements, including but not limited to any driveways, dry walls, and all means of access to the Premises shall be located completely within the boundary lines of the Premises and shall not encroach upon or under the property of any other person or entity;
- (b) No buildings, structures or improvements of any kind belonging to any other person or entity shall encroach upon or under the said Premises; and
- (c) The Premises shall abut a public way or private way with rights of access to a public way, duly laid out or accepted as such by the municipality.

SELLER agrees that it shall be a condition to the closing hereunder that title to the Premises shall be insurable under an owner's form of title insurance policy issued to BUYER by a national title insurance company on Alta Form B without taking exception for any encumbrance (other than the preprinted exceptions or those allowed for in this paragraph 4).

5. PLANS

If said deed refers to a plan necessary to be recorded therewith the SELLER shall deliver such plan with the deed in form adequate for recording or registration.

6. PURCHASE PRICE



\$1,200,000.00

TOTAL

7. TIME FOR PERFORMANCE; DELIVERY OF DEED

Such deed is to be delivered at **10 o'clock A.M. on the 30th day** after the expiration of the Permit Approval Period, as the same may be extended, at the Lender's Attorney's office, unless otherwise agreed in writing. It is agreed that time is of the essence of this agreement.

8. POSSESSION and CONDITION of PREMISES.

Full possession of said premises, is to be delivered at the time of the delivery of the deed, said premises to be then (a) broomclean and free of debris, (b) in the same condition as they now are,



reasonable use and wear thereof excepted, and (c) not in violation of said building and zoning laws, and (d) in compliance with the provisions of any instrument referred to in clause 4 hereof. The BUYER shall be entitled to an inspection of the Premises prior to the delivery of the deed in order to determine whether the condition thereof complies with the terms of this clause.

9. EXTENSION TO PERFECT TITLE OR MAKE PREMISES CONFORM

If the SELLER shall be unable to give title or to make conveyance, or to deliver possession of the premises, all as herein stipulated, or if at the time of the delivery of the deed the premises do not conform with the provisions hereof, then the SELLER shall use reasonable efforts to remove any defects in title, or to deliver possession as provided herein, or to make the said premises conform to the provisions hereof, as the case may be, in which event the SELLER shall give written notice thereof to the BUYER at or before the time for performance hereunder, and thereupon the time for performance hereof shall be extended for a period of thirty (30) days.

10. FAILURE TO PERFECT TITLE OR MAKE PREMISES CONFORM, etc.

If at the expiration of the extended time the SELLER shall have failed so to remove any defects in title, deliver possession, or make the premises conform, as the case may be, all as herein agreed, or if at any time during the period of this agreement or any extension thereof, the holder of a mortgage on the premises shall refuse to permit any insurance proceeds, if any, to be used for such purpose, then any payments made under this agreement shall be forthwith refunded and all other obligations of the parties hereto shall cease and this agreement shall be void without recourse to the parties hereto.

11. BUYER'S ELECTION TO ACCEPT TITLE

The BUYER shall have the election, at either the original or any extended time for performance, to accept such title as the SELLER can deliver to the said premises in their then condition and to pay therefore the purchase price without deduction, in which case the SELLER shall convey such title, except that in the event of such conveyance in accord with the provisions of this clause, if the said premises shall have been damaged by fire or casualty insured against by the SELLER, then the SELLER shall, unless said premises have previously been restored to their former condition, pay over or assign to the BUYER all amounts recovered or recoverable by the SELLER on account of such insurance, less any amounts reasonably expended by the SELLER for any partial restoration.

12. USE OF PURCHASE MONEY TO CLEAR TITLE

To enable the SELLER to make conveyance as herein provided, the SELLER may, at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, provided that all instruments so procured are recorded simultaneously with the delivery of said deed except for discharges of current outstanding institutional mortgages that are satisfied in full pursuant to written payoff statements may be recorded as soon as practical after recording the deed in accordance with customary conveyancing practices.

*MW*

*[Signature]*



13. INSURANCE

Until delivery of the deed, the SELLER shall maintain fire and extended insurance coverage on the said premises as it is presently insured. All risk of loss remains with the SELLER until recording of the deed.

14. ADJUSTMENTS

Water and sewer use charges, taxes for the then current fiscal year and any other standard and customary adjustments for transactions of this sort shall be apportioned, as of the day of performance of this agreement and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by the BUYER at the time of delivery of the deed.

15. ADJUSTMENT OF UNASSESSED AND ABATED TAXES

If the amount of said taxes is not known at the time of the delivery of the deed, they shall be apportioned on the basis of the taxes assessed for the preceding fiscal year, with a reapportionment as soon as the new tax rate and valuation can be ascertained; and, if the taxes which are to be apportioned shall thereafter be reduced by abatement, the amount of such abatement, less the reasonable cost of obtaining the same, shall be apportioned between the parties, provided that neither party shall be obligated to institute or prosecute proceedings for an abatement unless herein otherwise agreed.

16. BROKER'S FEE

SELLER and BUYER each represent and warrant that neither has dealt with any real estate broker or finders in connection with this transaction. SELLER and BUYER agree to defend, indemnify, and hold each other harmless from any claims, costs, judgments, or liabilities, including their reasonable attorney's fees of any kind advanced by persons claiming real estate brokerage fees through them other than the brokers herein identified. This indemnification provision shall survive the closing and the delivery and acceptance of the deed.

17. DEPOSIT

All deposits made hereunder shall be held in escrow, in a non-interest bearing account, by SELLER's attorney as escrow agent subject to the terms of this agreement and shall be duly accounted for at the time for performance of this agreement. In the event of any disagreement between the parties, the escrow agent may retain all deposits made under this agreement pending instructions mutually given by the SELLER and the BUYER or as ordered by a court of competent jurisdiction. The parties acknowledge that a deposit of \$10,000.00 has been paid upon the execution of this Agreement. The deposit monies shall be credited toward the purchase price.

18. BUYER'S DEFAULT; DAMAGES

If the BUYER shall fail to fulfill the BUYER'S agreements herein, all deposits made hereunder by the BUYER shall be retained by the SELLER as liquidated damages and this shall be seller's sole remedy at law and equity. In the event that the time for performance has expired but the transaction is subsequently completed, the BUYER accepts and records the SELLER's deed and pays the

SELLER the full purchase price, the default provisions herein are not applicable and the SELLER is not entitled to the deposit as liquidated damages.

19. LIABILITY OF TRUSTEE, SHAREHOLDER BENEFICIARY, etc.

If the SELLER or BUYER executes this agreement in a representative or fiduciary capacity, only the principal or the estate represented shall be bound, and neither the SELLER nor BUYER so executing, nor any shareholder or beneficiary of any trust, shall be personally liable for any obligation, express or implied, hereunder.

20. WARRANTIES AND REPRESENTATIONS

The BUYER acknowledges that the BUYER has not been influenced to enter into this transaction nor has it relied upon any warranties or representations not set forth or incorporated in this agreement or previously made in writing, except for the following additional warranties and representations, made by the SELLER, which will be true as of the date of this Agreement and on the date of the Closing:

The SELLER represents, covenants and warrants as follows:

- (a) There are no tenancies, occupancies or licensees in or to the Premises.
- (b) SELLER has not commenced nor has SELLER received notice of the commencement of any proceeding which would affect the present zoning classification of the Premises. SELLER will not initiate any such proceedings and will promptly notify BUYER if SELLER receives notice of any such proceeding commenced by third parties.
- (c) There is, to the best of the SELLER'S knowledge and belief, no notice, suit, order, decree, claim, writ, injunction or judgment relating to material violations of any laws, ordinances, codes, regulations or other requirements with respect to the Premises in, of or by any court or governmental authority having jurisdiction over the Premises.
- (d) There are no suits, actions or proceedings pending or threatened against SELLER materially affecting the Premises or SELLER'S right or power to consummate the transaction contemplated by this Agreement before any court or administrative agency or office that will not be removed simultaneously with the delivery of the Deed.
- (e) To the best of SELLER'S knowledge and belief, there are no condemnation proceedings pending or threatened against any portion of the Premises.
- (f) SELLER has no knowledge and has received no notice of any violations of any environmental law respecting the Premises and is not aware of any environmental condition affecting the property.
- (g) SELLER is the owner of all fixtures conveyed hereunder and there are no



conditional sales or retail installment sales agreements applicable to any such fixtures conveyed hereunder.

- (h) Seller acknowledges that to the best of SELLER'S knowledge the Premises are not located in Flood Zone "A" as designated by the Army Corps of Engineers Flood Zone Maps.
- (i) To the best of Seller's knowledge, there are no underground storage tanks of any kind or underground pipes ancillary thereto or ancillary to above ground storage tanks of any kind at the premises. In the event that underground storage tanks of any kind are located at the Premises, Seller shall cause the removal of same at Seller's sole cost and expense.
- (j) Seller has not executed or caused to be executed, and to the best of its knowledge and belief it is not aware of any document with or for the benefit of any governmental authority restricting the development, use or occupancy of the Premises that has not been specifically disclosed to Buyer or would not be disclosed by a title search.
- (k) The Seller has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by the Seller will not, with or without the giving of notice and/or the passage of time, violate any provision of law applicable to Seller or conflict with, result in a violation of or a default under any other agreement or instrument to which Seller is a party or by which Seller, its assets or properties are or may be bound. Unless otherwise stated herein, no approval of any governmental authority or administrative agency is necessary to authorize the execution of this Agreement by Seller or the consummation of the transactions contemplated hereby. This Agreement is a valid and binding agreement of the Seller enforceable in accordance with its terms.
- (l) Seller has filed all business-related tax documents required to be filed as of the Closing Date, including without limitation, sales, labor, taxes or business or license fees required by local, state or federal law, and all tax obligations in connection therewith due as of the Closing Date have been paid in full.

All representations by SELLER contained in the above paragraphs a-l are true on the date hereof, will be true on and as of the closing, and shall not survive the delivery of the deed.

## 21. CONSTRUCTION OF AGREEMENT

This instrument, executed in multiple counterparts, is to be construed as a Rhode Island contract, is to take effect as a sealed instrument, sets forth the entire contract between the parties, is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns, and may be cancelled, modified or amended only by a written instrument executed by both the SELLER and the BUYER. If two or more persons are named herein as BUYER their obligations hereunder shall be joint and several. The captions and marginal notes are used only as a matter of

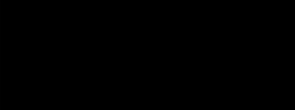
convenience and are not to be considered a part of this agreement or to be used in determining the intent of the parties to it.

#### ADDITIONAL PROVISIONS

- a. SELLER shall, at the time of closing, execute and deliver (i) an affidavit to BUYER and to BUYER'S title insurance company, including without limitation a mechanic's lien affidavit, (ii) documentation and corporate authorization as may be reasonably required by the title company for SELLER to convey title to the Premises to the BUYER, including without limitation Board of Directors Resolution authorizing the execution and delivery of this Agreement and the Deed, a copy of the articles of organization and a Certificate of Good Standing from the state of incorporation, and (iii) any and all customary documents which the BUYER may reasonably require, including but not limited to, the Settlement Statement, 1099 Form, Agreement to Reapportion Taxes, etc.
- b. The Effective Date of this Agreement will be the later of the date the SELLER signs or the BUYER signs the Agreement.
- c. Notwithstanding anything herein to the contrary, in the event of any damage to or destruction of the Premises by fire, vandalism, or other casualty in excess of \$50,000.00, or in the event of a taking of all or any part of the Premises by eminent domain, then, at BUYER'S option, this agreement may be terminated, and the Deposit shall be forthwith refunded to BUYER, and this agreement shall be void and without recourse to either party.
- d. Any notice required or permitted to be given to SELLER or BUYER hereunder shall be in writing and delivered by hand or mailed postage prepaid or sent via facsimile with verification report to be given to recipient as proof thereof.

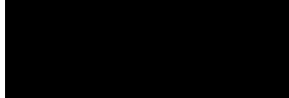
In the case of BUYER to:

Michael Biszko, Jr.



In the case of Seller to:

Michael Winter



If notice is mailed postage prepaid, the notice will be considered as being given on the date of the USPS postmark.

e. This Agreement supersedes all prior agreements and other understandings between the parties, and represents the complete and full agreement of the parties hereto except as it is modified or altered by written agreement signed by the parties hereto.

f. DUE DILIGENCE. The Buyer shall be allowed one hundred twenty (120) days from the





Effective Date of this Agreement (the "Due Diligence Period") to perform its own due diligence and inspections, by consultants of Buyer's choosing, including without limitation, environmental, structural, mechanical, engineering, survey and zoning, and such other inquiries and/or inspections as Buyer deems necessary or proper, including without limitation, environmental testing. If the Buyer, in its sole discretion, is not satisfied with the results of such inspection(s) and/or inquiries, the P&S may be terminated by the Buyer by notifying the Seller and Brokers in writing, prior to the expiration of the due diligence period provided for in the P&S, and the P&S will be null and void and the deposit will be returned to the Buyer. If Buyer is unable to complete its due diligence inspections, despite its reasonable efforts, within the Due Diligence Period, the parties agree to negotiate in good faith an extension, and if they cannot reach agreement as to such extension for environmental matters, then there shall be an extension for a reasonable period of time as agreed to by the parties' respective environmental consultants. Within three (3) days of the execution of this Agreement, Seller shall provide to Buyer complete copies of any and all documentation, including without limitation, documents, correspondence and plans, that it has concerning any environmental matters at the Premises. Within three (3) days of the execution of this Agreement, Seller shall provide to Buyer complete copies of any and all documentation, including without limitation, documents, correspondence and plans, that it has concerning any environmental matters at the Premises. The Seller shall also permit the Buyer and/or Buyer's consultants to contact and speak to Seller's environmental consultant concerning the Premises.

g. **PERMITS AND APPROVALS.** This Agreement is contingent upon the BUYER obtaining any and all local and state permits and approvals, including without limitation zoning approvals and licenses that are necessary for it to sell, at retail and/or wholesale, and cultivate marijuana as a Compassion Center pursuant to the State of Rhode Island Medical Marijuana Program (the "Permits and Approvals"). The BUYER shall have until July 31, 2020 to obtain the Permits and Approvals (the "Permit and Approval Period"). The BUYER will be considered to have obtained the Permits and Approvals when the permits have become vested and all appeal periods have run without anyone taking an appeal or if an appeal is taken, it is dismissed and/or decided in BUYER's favor and all appeal periods have expired. In the event that BUYER has diligently pursued the Permits and Approvals, but despite said diligent efforts it has not obtained them before the expiration of the Permit and Approval Period, BUYER may, by giving written notice to the SELLER, extend the Permit and Approval Period to October 31, 2020 (the "First Extended Permit and Approval Period"). In the event that the BUYER elects to extend, beginning August 1, 2020 and on the first of each month thereafter, BUYER shall pay the sum of \$2,000.00 to the SELLER (the "Permit and Approval Period Extension Fee"). The Permit and Approval Period Extension Fee payments made during the First Extended Permit and Approval Period shall be non-refundable and will be credited toward the Purchase Price. In the event that the BUYER has diligently pursued the Permits and Approvals, but despite said diligent efforts it has not obtained them before the expiration of the First Extended Permit and Approval Period, BUYER may, by giving written notice to the SELLER, extend the Permit and Approval Period to January 31, 2021 (the "Second Extended Permit and Approval Period"). During the Second Extended Permit and Approval Period BUYER will continue to make the Permit and Approval Period Extension Fee payments and for payments made during said period they shall be non-refundable and will be credited toward the Purchase Price in the event the BUYER purchases the Premises. If BUYER has not obtained the Permits and Approvals as hereinbefore provided, then BUYER may, by giving written notice to the SELLER prior to the expiration of the Permit and Approval Period, as the same may have been extended, terminate this Agreement and all deposits shall be returned to the BUYER and this



Agreement will be null and void.

h. ENVIRONMENTAL. BUYER's obligation to purchase the Premises is contingent upon BUYER satisfying itself that the environmental condition of the Premises is, in its sole discretion, acceptable. If the Buyer, in its sole discretion, is not satisfied with the results of its environmental inspection(s) and/or inquiries, BUYER may terminate this Agreement by notifying the Seller and Brokers in writing and the Agreement will be null and void and the deposit will be returned to the Buyer.

i. LEASE OPTION. In the event BUYER obtains the Permits and Approvals during the Permit and Approval Period, as the same may have been extended as provided herein, and BUYER becomes obligated to close pursuant to Section 7, above, BUYER in its sole discretion may elect to lease the Premises for a period of three (3) years with the terms of said lease being as follows:

- i. Term – three (3) years;
- ii. Rent [REDACTED] per month net, payable on the first of each month;
- iii. Within thirty (30) days of the BUYER exercising its option to lease (the "Lease Negotiation Period"), the BUYER and SELLER will negotiate and execute a mutually agreeable written lease. In the event the parties are unable to reach an agreement on the terms and conditions of the lease during the Lease Negotiation Period, the BUYER shall have thirty (30) days to purchase the Premises pursuant to the terms of this Purchase and Sale Agreement with the Closing taking place thirty (30) days, or, if the thirtieth (30<sup>th</sup>) day is a Saturday, Sunday or holiday, then the first business day thereafter, after the expiration of the Lease Negotiation Period.

In the event BUYER exercises the foregoing option to lease and the parties execute a lease, the Permit and Approval Period Extension Fee, if in effect, shall terminate, this Purchase and Sale Agreement shall continue in full force and effect and the closing date under Section 7, above, shall be modified as follows:

At the expiration or earlier termination of the lease, BUYER shall have the option to purchase the Premises according to the terms and condition of this Purchase and Sale Agreement by giving written notice thirty (30) days before said expiration, or, if earlier terminated, by giving written notice within thirty (30) days after said termination, and if said option is exercised, the closing shall take place sixty (60) days, or, if the sixtieth (60<sup>th</sup>) day is a Saturday, Sunday or holiday, then the first business day thereafter, after the expiration of the lease or if earlier terminated, sixty (60) days after BUYER gives written notice of its election to purchase, at BUYER's attorney's office. Notwithstanding anything in this agreement to the contrary, SELLER's obligation to sell the Premises to the BUYER is expressly contingent upon BUYER obtaining the Permits and Approvals. If the BUYER does not obtain the Permits and Approvals by the expiration or earlier termination of the lease, this Agreement shall terminate and the deposit shall be returned to the BUYER.

Upon the execution of this Purchase and Sale Agreement, the parties shall execute a Notice of Lease Option and Option to Purchase, which shall be recorded at the records of land evidence.



j. This Agreement may be executed in multiple counterparts and signatures transmitted by facsimile shall have the effect of original signatures.

k. The SELLER represents that the SELLER is not a foreign person or foreign corporation as defined in FIRPTA and, accordingly, that the BUYER will not be required to comply with the withholding requirements of FIRPTA at the Closing.

l. If the Seller is not a resident of the State of Rhode Island or will not be a resident at the time of the closing, the Buyer must withhold six (6%) percent of the total payment to the Seller (9% if the Seller is a corporation), in accordance with R.I.G.L. Section 44-30-71.3, as same may be amended from time to time, and pay such amount to the Division of Taxation as a non-resident withholding tax. In order to have such tax based on gain rather than net proceeds of sale, Seller must submit an election form to the Division of Taxation at least twenty (20) days prior to closing. Seller agrees to pay the entire amount of such tax found to be due at or after the closing, whether or not such tax was correctly calculated at the closing, it being understood that the tax shall not exceed the amount of net proceeds to Seller. This shall survive the transfer of title to the Property.

m. It is understood and agreed that this Agreement shall terminate in all respects at such time as the Buyer is denied the issuance of the Permits and Approvals. The Permits and Approvals will be considered denied upon a vote and/or determination by an applicable local, state and/or federal person, board or agency and/or by operation of law, in accordance with the applicable laws, rules and regulations and the expiration of any applicable appeal period with no appeal being taken or if an appeal is taken, the exhaustion of any such appeal.

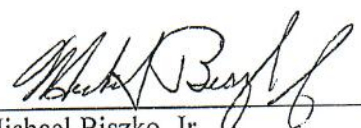
Executed as a sealed instrument the date first written above.

SELLER – Sandra Dee, LLC

By: 

Dated: December 19, 2019

BUYER

  
Michael Biszko, Jr.

Dated: December 18<sup>th</sup>, 2019

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## **VARIANCE REQUEST**

Pinnacle Compassion Center, Inc. respectfully requests a variance to cultivate and manufacture medical marijuana at 1 Conduit Street, Central Falls, RI. The property is located adjacent to 1136 Lonsdale Avenue, Central Falls, where Pinnacle is submitting an application for a Compassion Center. Pinnacle Board President Michael Biszko Jr. has negotiated an option to lease or purchase the property, and Pinnacle has confirmed with the City of Central Falls that cultivation and manufacturing is permitted at the location.

Pinnacle is happy to submit any additional documentation to DBR on security, operations, compliance, business plan, or any other documents requested regarding potential cultivation and manufacturing of medical marijuana products at the location.